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1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK

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3 UNITED STATES OF AMERICA,

New York, N.Y.

4 v.

18 Cr. 759 (RMB)

5 JAMES MOORE,

6 Defendant.

7 -----x

Jury Trial

8 June 5, 2019

9 9:15 a.m.

10 Before:

11 HON. RICHARD M. BERMAN,

12 District Judge

13  
14 APPEARANCES

15 GEOFFREY S. BERMAN

16 United States Attorney for the  
Southern District of New York

17 BY: MARTIN BELL

VLADISLAV VAINBERG

18 Assistant United States Attorneys

19  
20 DAVID M. GARVIN, PA

Attorney for Defendant

21 ALSO PRESENT:

22 Nathaniel Cooney, Paralegal for U.S. Attorney's Office

Special Agent Jordan Anderson, FBI

23 Alexandra Garvin, Law Clerk for Defense

24 Arlene Garvin, Paralegal for Defense

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1 (In open court; jury not present)

2 THE COURT: Let me just say a few things  
3 preliminarily. First is that after yesterday's session, I  
4 asked one of my law clerks to ask the government if they could  
5 expedite. They said they needed three more hours of direct  
6 examination of Mr. Haddow. So, that's number one. I hope they  
7 can.

8 Second, we're still waiting for, it's 9:23 or so,  
9 we're still waiting for three jurors and Mr. Haddow, but we  
10 understand Mr. Haddow is on the way. The three jurors, I don't  
11 know. I'm sure they are on the way also. So, that's all I  
12 have.

13 MR. BELL: Judge, I can report back on that first  
14 issue. It's our belief that we should be able to wrap  
15 Mr. Haddow up inside of two hours from whenever we start today.  
16 Assuming that that's the case, we don't obviously control the  
17 length of Mr. Garvin's cross, but we have I think a very  
18 good-faith assessment of how long he expects to go. And I  
19 think that having tried this case now for about a day and a  
20 half, we're still very much on pace for us to rest tomorrow.  
21 And that's to say tomorrow morning, not tomorrow afternoon.

22 THE COURT: I understand. So, you should understand,  
23 I have no particular interest in speed for speed's sake because  
24 I'm here, and this is what I'm expected to do. But, my first  
25 goal is to make sure that it is a fair trial, first to the

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1 defendant, but also to the government be able to present its  
2 case. But my next goal, which is high on the agenda, is to  
3 make sure the jury is able to comprehend the evidence and is  
4 able to get what each side is trying to communicate.

5 So, I think the suggestion I made through the law  
6 clerk was is in that vein, to try and help ensure that the jury  
7 understands what the testimony and what the evidence is.

8 MR. BELL: We understand that, Judge. Just to sign  
9 post a little bit for you so you have an appreciation of what's  
10 going to come in the next couple of hours. We've trimmed our  
11 presentation such that there are documents that are going to  
12 come in, e-mails that are going to come in, that we don't have  
13 to go through Mr. Haddow with. A lot of them are  
14 self-explanatory and we'll publish them once he's off the  
15 stand. I think there are --

16 THE COURT: When you do that, were you planning to do  
17 that in front of the jury?

18 MR. BELL: Yes, your Honor.

19 THE COURT: I think that's the appropriate way, so  
20 they know there are other documents that are in evidence.

21 MR. BELL: So what we'll do is we'll put those  
22 documents in, I think for some documents, because so much has  
23 been stipulated to in this case, we'll put them in, in the  
24 absence of a witness, but publish them and read them so they  
25 are a part of the record, but we'll be able to do so more

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1 efficiently.

2 But there are a number of topics that Mr. Haddow does  
3 need to cover. There are a couple of e-mails, for example,  
4 which I anticipate Mr. Garvin will try to essentially suggest  
5 an alternative interpretation for that we need to go through  
6 Mr. Haddow, some that just get at the chronology. But it will  
7 be a tight two-hour presentation.

8 THE COURT: Good.

9 MR. BELL: I also think with respect to some of the  
10 multimedia that we mentioned playing before, per your Honor's  
11 ruling on the in limine motions, we're trimming somewhat our  
12 presentation of that as well. Not only in an attempt to get  
13 these done in an economical fashion, but for the jury's ease of  
14 appreciation.

15 So we take your Honor's concerns, and we're trying to  
16 make sure that we accomplish those same ends. Thank you,  
17 Judge.

18 THE COURT: You're obviously certainly entitled to  
19 make your case. I'm trying to ensure that happens as well.

20 We have draft jury instructions, so we're going to  
21 hand them out now. And I thought it would be a good idea  
22 because, this way, whenever there is some break or appropriate  
23 break or time, we can have our charge conference. So, if, for  
24 example, the government were to finish and the defense was not  
25 yet quite ready to present their case, we could do a charge

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1 conference then. so we'll have it when you get a chance. Go  
2 over it and then you'll all be ready for a charge conference.

3 MR. BELL: With the Court's permission, I may start to  
4 go over that while we're hearing testimony here, because I  
5 think that, I mean, candidly, Judge, it is a wire fraud and  
6 wire fraud conspiracy case. These are relatively pedestrian  
7 charges and I suspect the charge conference will be relatively  
8 brief.

9 THE COURT: I think that's it from me preliminarily.  
10 So I'll just stand by until the witness is here and the three  
11 jurors are also here.

12 We do have all the jurors, but we're still waiting on  
13 the witness.

14 (Pause)

15 (Continued on next page)

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1 (Jury present)

2 THE COURT: We'll continue with the direct examination  
3 of Mr. Haddow.

4 THE DEPUTY CLERK: Sir, before we begin, I'd like to  
5 remind you you're still under oath.

6 THE WITNESS: Okay.

7 RENWICK HADDOW,

8 called as a witness by the Government,

9 having been previously sworn, testified as follows:

10 DIRECT EXAMINATION (Continued)

11 BY MR. VAINBERG:

12 Q. Good morning, Mr. Haddow.

13 A. Good morning.

14 Q. Mr. Haddow, we still have a number of important topics to  
15 cover today, but we'll try to go through them as efficiently as  
16 we can.

17 A. Okay.

18 Q. When we broke at the end of the day yesterday, you were  
19 testifying about a meeting you had with the defendant in New  
20 York City in October of 2015. Do you remember that?

21 A. I do, yes.

22 Q. Was that the meeting at which you discussed the commissions  
23 you would pay the defendant and UPG?

24 A. That's right.

25 Q. Did you have an understanding as to whether the defendant

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1 would be discussing that proposal with people at UPG?

2 A. I did have an understanding.

3 Q. Let's go to Government Exhibit 29. Mr. Haddow, directing  
4 your attention to the top of this exhibit. Could you tell us  
5 who the people on this e-mail chain are.

6 A. Yes. That's an e-mail from David Kennedy at UPG to Neil  
7 Storey, copying in James Robinson at UPG, and Jim Moore.

8 Q. Going further down, do you see an e-mail from Jim Moore on  
9 this chain beginning with the words "hi guys"?

10 A. Yes.

11 Q. Could you read what Mr. Moore wrote to the people on this  
12 chain beginning with the words "I'm extremely encouraged" to  
13 the words "constantly full."

14 A. "I'm extremely encouraged and motivated by what I've seen  
15 here in Manhattan. Bar Works have secured an absolutely prime  
16 location for their first site. I mean fantastic really. The  
17 footfall outside is incredible and they have already 20 people  
18 signed up now as of this evening to rent desks/be members.  
19 It's hard to see how they won't be constantly full."

20 Q. Let's pause there for a second. Mr. Haddow, did you tell  
21 the defendant how many members you had signed up when he was in  
22 New York?

23 A. No.

24 Q. At that point, did you have any locations opened yet?

25 A. At that point we had no locations or no members.

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1 Q. Do you know where he got the 20 people signed up from?

2 A. No.

3 Q. Let's go to the paragraph that begins with the words "we  
4 have good news I think" in the first part. And highlight one,  
5 two and three.

6 A. "We have good news I think. Here's what we have been  
7 offered I think we potentially have an amazing deal, but it is  
8 absolutely critical we deliver sales results or this will all  
9 fall away."

10 Q. Could you read part one under that.

11 A. "One. Any of the Regent 88 business we switch we can have  
12 the agreed 25 percent commission on, plus a 10 percent bonus,  
13 making a total of 35 percent on switched deals. Three times  
14 the commission we are earning from Regent 88."

15 Q. Mr. Haddow, is what's written here from Mr. Moore to other  
16 folks at UPG consistent with the discussions you had with him  
17 in New York?

18 A. Yes, it is.

19 Q. Let's go to part two. Can you read that part.

20 A. "Two. Ongoing -- provided we switch some Regent 88 now  
21 which will help Bar Works accelerate site acquisition and show  
22 reasonable ongoing volume, we can have 30 percent of everything  
23 we take from here moving forward."

24 Q. And is the 30 percent from everything going forward, is  
25 that consistent with what you discussed as far as UPG's



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1 commission?

2 A. Yes, it is.

3 Q. Could you read part three.

4 A. "Three. More importantly long term, subject to us  
5 delivering now, I have in principal secured the operational  
6 investment sales licenses for Bar Works Europe and possibly  
7 Asia. This will be performance driven, but any Bar Works we  
8 launch ourselves as the development license holder/developer we  
9 will be able to keep 100 percent of the funds taken from  
10 investors minus any money needed to operate the business, of  
11 course, which should be minimal. And minus either a license  
12 fee or an operating contract. This is to be discussed but I  
13 don't see it as a deal breaker."

14 Q. During your meeting with the defendant in New York, did you  
15 discuss potentially giving UPG licenses to franchise out Bar  
16 Works Europe and Asia?

17 A. We did discuss it, yes.

18 Q. Did you make any agreements on that score?

19 A. No.

20 Q. Let's go to the middle of the page on the next page, and  
21 let me direct your attention to the line that begins with "if  
22 you're wondering how they can pay so much commission."

23 A. "If you're wondering how they can pay so much commission  
24 it's simple the --"

25 THE COURT: You can slow down just a little bit.

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1 THE WITNESS: Sorry. Let me start again.

2 A. "The running costs and investor returns are actually  
3 covered by real paying clients of which there seems to be an  
4 eager and plentiful supply. The money from investors will  
5 mainly be used for expansion and staffing."

6 Q. Had you discussed this topic with the defendant when he was  
7 in New York?

8 A. Yes.

9 Q. What was the nature of the discussion?

10 A. Well, we discussed that the -- an investment should be --  
11 the pitch of the investment was that for every investment we  
12 sold, theoretically there should be a person in that desk  
13 renting the desk from us. And therefore, theoretically, the  
14 running costs of the business will be quite low.

15 Q. When you discussed whether or not you would be able to  
16 cover commissions, did you discuss it in terms of it being a  
17 pitch?

18 A. Just a pitch, yeah. A pitch is the most important thing.

19 Q. Who is the pitch to?

20 A. The pitch is to investors and agents.

21 Q. If we go further down on this e-mail. Let's highlight the  
22 portion beginning with "10 units and going to 9,900,000." And  
23 I'll just read this.

24 "10 units with 150 work spaces each would be 1500 work  
25 spaces times 22,000 equals 33 million. Our end of that would

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1 be 9.9 million."

2 Do you see that?

3 A. Yes.

4 Q. What's your understanding as to what this is referring to?

5 A. That's referring to us opening Bar Works, opening 10 units  
6 with approximately 150 work spaces in each unit, and that will  
7 generate \$9.9 million for UPG.

8 Q. Is \$9.9 million a certain percentage of \$33 million?

9 A. Yes, 30 percent.

10 Q. In this e-mail, did the defendant inform UPG of the  
11 commission you had negotiated with him?

12 A. No.

13 Q. What was that separate commission to the defendant?

14 A. That was 35 percent we discussed.

15 Q. Let's go to the bottom here, and could you read the please  
16 "let me know ASAP" paragraph.

17 A. "Please let me know ASAP how much of the Regent 88 business  
18 you feel we can move over. If we need to employ an incentive  
19 for clients, let's discuss this and do so ASAP. The  
20 commissions are too good to miss agree. Thanks guys. Have a  
21 good Sunday. P.S. --"

22 Q. All right. Now, at the time of the defendant's visit to  
23 you in New York, had anyone at UPG definitively told you that  
24 they were going to be raising money for you?

25 A. Sorry. Can you repeat that?

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1 Q. Certainly. Did the other people on this e-mail associated  
2 with UPG, such as James Robinson and David Honeyman, had they  
3 told you at this point that they would be definitively raising  
4 money for you?

5 A. No, not definitively, no.

6 Q. When you met with the defendant in New York, did you  
7 discuss giving UPG an exclusive right to sell Bar Works?

8 A. Yes.

9 Q. At the same time, did you offer that exclusive right to  
10 anyone else?

11 A. Yes, I did, yes.

12 Q. Who did you offer the second exclusive right to?

13 A. Well, I actually offered it to a company called Pan  
14 Pacific.

15 THE COURT: That was what?

16 THE WITNESS: Pan. P-A-N.

17 THE COURT: Pacific?

18 THE WITNESS: Yes.

19 Q. What's Pan Pacific?

20 A. It was run by an old manager of mine, back in the U.K., it  
21 was a one-man operation.

22 Q. What did you understand Pan Pacific to be able to do for  
23 you?

24 A. Well, at the beginning, he was quite excited by the  
25 opportunity, and kind of requested an exclusive to sell the

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1 product. And I, you know, because I had no other offers at the  
2 time, I took that up.

3 Q. Did UPG find out that you had given away a conflicting  
4 exclusive to theirs?

5 A. It did, yes.

6 Q. Did the defendant question you about that?

7 A. Yes, he did.

8 Q. What did he say and what did you say?

9 A. He said it was -- I was making life very difficult for him,  
10 and that having not -- he was my business partner, and I hadn't  
11 told him about this particular exclusive I granted. And it was  
12 making him look a bit stupid with UPG and demotivating him and  
13 UPG.

14 Q. What did you say in response to that?

15 A. I said who cares, it's just a one-man operation, it doesn't  
16 really matter.

17 Q. Let's go to Government Exhibit 179. Just to orient  
18 ourselves, who are the people at the top of this e-mail chain.

19 A. That's an e-mail from James Robinson at UPG to Jim Moore,  
20 copying in Neil Storey and David Kennedy.

21 Q. You're not on this e-mail, right?

22 A. I'm not on that e-mail, no.

23 Q. This is internal to the defendant and UPG, right?

24 A. Yes.

25 Q. All right. If we just take a look on page two, beginning

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1 on the bottom of page one, do you see an e-mail from the  
2 defendant?

3 A. Yes.

4 Q. And the line that says "I did ask your question about Pan  
5 Pacific alternatives and got exactly the response you and I  
6 discussed was likely. It's one person who cares."

7 Do you see that, sir?

8 A. Yes, I do.

9 Q. Is that essentially what you had told the defendant when he  
10 asked you about Pan Pacific's exclusive?

11 A. That's right, yes. That's what I told him.

12 Q. If we can go back up to page one. Is this a response from  
13 James Robinson to the defendant?

14 A. It is, yes.

15 Q. Can you read the first two paragraphs, please.

16 A. Yes. "I do not want to labor the point as it is  
17 unproductive, but the response of who cares is both  
18 shortsighted and totally unprofessional. Obviously, they do  
19 not, as it is not their brand and reputation. I wonder if  
20 Renwick could care more about people knowing Bar Works is his  
21 and his history in carbon credits and lost investments for huge  
22 amounts of clients would damage his Bar Works reputation. We  
23 could easily say who cares to that, but would not be so  
24 unprofessional in doing so."

25 Q. Mr. Haddow, did you care about people knowing that Bar

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1 Works was yours?

2 A. Yes, I did.

3 Q. Did you care about people knowing that the person behind  
4 Bar Works had a history of losing investments for a huge number  
5 of investors?

6 A. Yes, very much so.

7 Q. Did you believe that if word got out about that, that you  
8 were behind Bar Works, that that would damage Bar Works'  
9 reputation?

10 A. Yes, it would.

11 Q. Did you believe that the defendant and UPG knew about all  
12 of those facts?

13 A. Yes, for sure, yes.

14 Q. Did there come a time when you and UPG began directing --  
15 excuse me.

16 Did there come a time when you began communicating  
17 directly with principals from UPG?

18 A. Yes.

19 Q. Did you talk to them from your RenwickHaddow.com e-mail  
20 account?

21 A. Yes, I did.

22 Q. Did you use your real name when you talked to the  
23 principals at UPG?

24 A. I did, yes.

25 Q. Let's go to Government Exhibit 31. If we look at the top

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1 of the page. Could you identify this e-mail for the jury.

2 A. Yes. This is an e-mail from Jason Rivera, who was my  
3 assistant, to Nathalie who is also one of my old assistants.  
4 Copying myself at my personal e-mail address, James Robinson,  
5 David Kennedy, Neil Storey, and Jim Moore.

6 Q. What, if any, documents did your assistant Mr. Rivera  
7 attach to this e-mail?

8 A. He attached, from the looks of it, the whole suite of  
9 documents off a document PPM, questions and answers, and a  
10 couple of articles.

11 Q. Did any of those materials have your name in them?

12 A. No.

13 Q. Did those materials have Jonathan Black's name as the CEO  
14 of Bar Works?

15 A. Yes, it did.

16 Q. After receiving these offering materials, did there come a  
17 time when UPG began making sales of Bar Works?

18 A. Yes.

19 Q. Approximately when did they sell their first investment?

20 A. Approximately end of October, beginning of November.

21 Q. When did Bar Works open its first location?

22 A. In October I think.

23 Q. After you had told the defendant that you were Jonathan  
24 Black, what, if anything, did he do to help you cover up that  
25 fact?



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1 A. Well, he continued doing what we agreed at the beginning,  
2 which was to front -- front Bar Works up with himself and Neil  
3 Storey. So he dealt with most -- most of the inquiries from  
4 agents and UPG.

5 Q. Let's look at Government Exhibit 43. Is this an e-mail  
6 from the defendant to you on November 5, 2015?

7 A. Yes.

8 Q. Do you see where the defendant writes, "Mate, see what you  
9 think to this please, and if it's okay let's get it on pen and  
10 paper as a PDF"?

11 A. Yes.

12 Q. What did the defendant write below that, if you could just  
13 summarize it rather than reading it.

14 A. Yeah, so it is a letter that he's put together for general  
15 consumption for lease sales to investors at Bar Works. So just  
16 an information to go to agents, mainly, covering queries,  
17 potentially queries and questions on leases, available leases.

18 Q. Had agents asked questions about the maximum number of  
19 leases you could sell?

20 A. Yes, they had.

21 Q. And who is this letter supposed to come from that the  
22 defendant put in an e-mail to you?

23 A. This letter was supposed to come from Jonathan Black.

24 Q. Did you have a copy of this letter created?

25 A. I did, yes.

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1 Q. Let's do a split screen between this exhibit --

2 THE COURT: Do you mean that you converted the text of  
3 this e-mail into a formal letter?

4 THE WITNESS: Yes.

5 THE COURT: Which had the same language in it?

6 THE WITNESS: Yes.

7 Q. If we quickly just put up Government Exhibit 181. What is  
8 this?

9 A. That's the letter that's gone on to headed paper.

10 Q. Could we go back to Government Exhibit 43, Jim Moore's  
11 request to you for that letter, and Government Exhibit 44. All  
12 right. Let's look at who is on the e-mail chain for Government  
13 Exhibit 44.

14 Could you tell us who is on this chain?

15 A. Yes. So that's an e-mail from Jim Moore, to Nick Reagan  
16 who was an agent, copying in James Robinson, David Kennedy, and  
17 myself. I'm blind copied.

18 Q. And when you say you're blind copied, what does that mean  
19 for the other people's availability to see if you are on this  
20 chain, other than the defendant?

21 A. It means they can't see I've been copied in.

22 Q. What day did the defendant send this e-mail?

23 A. That e-mail was sent on the 11th of May -- sorry. The 5th  
24 of November.

25 Q. We put our month before the date here, Mr. Haddow.

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1 How did that compare to Government Exhibit 43?

2 A. That's the same, same day.

3 Q. Could you read the sentence in the defendant's e-mail to  
4 this agent that begins with "unless you believe" and then the  
5 next sentence that says "I have asked Jonathan Black."

6 THE COURT: You are now looking at 44?

7 MR. VAINBERG: On Government Exhibit 44, yes, your  
8 Honor.

9 A. "Unless you believe that the company is about to commit  
10 outright fraud, then it's not possible for them to oversell the  
11 leases without directly contravening their own terms and  
12 conditions. In addition to this, I have asked Jonathan Black,  
13 the CEO, if he would be so kind as to issue a formal legal  
14 statement to further clarify this, on company headed paper, of  
15 course, that you can use for your own comfort and that of your  
16 clients. Although, to be honest, I'm struggling to see how it  
17 can be made any clearer."

18 Q. Who did the defendant say he had asked to produce a legal  
19 letter about the maximum number of leases?

20 A. Jonathan Black.

21 Q. And who did he actually ask to produce that letter?

22 A. Myself.

23 Q. Who did the defendant represent that he actually talked to?

24 A. Jonathan Black.

25 Q. Let's go to Government Exhibit 45. If we look at the

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1 people on this e-mail chain, could you identify those.

2 A. Yes. This is Jim Moore from -- to Richard Edmonds who is  
3 at United Property Group, copying in James Robinson and David  
4 Kennedy, and again blind copying me at my personal e-mail  
5 address.

6 Q. Who was Richard Edmonds, as far as you know?

7 A. As far as I knew, he was a broker, salesperson at United  
8 Property Group.

9 Q. Did you understand whether that broker had a client  
10 interested in seeing Bar Works?

11 A. Yes, I did.

12 Q. Where did that potential investor live?

13 A. He was local. I think he lived in Queens.

14 Q. What was the broker asking Mr. Moore to do with respect to  
15 that potential investor?

16 A. He was looking to arrange for this potential investor to  
17 come along to the location and meet someone.

18 Q. And directing your attention to this portion of the e-mail  
19 where it says "Just come off the phone to him, any chance of a  
20 name for the meeting either later today or tomorrow."

21 What did you understand that to mean?

22 A. That he wanted to have a point of contact when he visited  
23 the location.

24 Q. And let's look at the defendant's response. Let's just  
25 focus on the top line. Do you see where it says "Hi Ricky, I

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1 would leave him a while"?

2 A. Yes.

3 Q. What did you understand that to mean?

4 A. Well, at the time I don't think we had a point of contact  
5 to meet the investor at the location. And obviously, it wasn't  
6 a good idea that I met the investor.

7 Q. Let's go to Government Exhibit 49. Let's just look on the  
8 bottom half of this e-mail chain. Is that Mr. Edmonds again,  
9 the broker from UPG?

10 A. It is, yes.

11 Q. And do you see that he's writing to James Moore and James  
12 Robinson?

13 A. Yes.

14 Q. And in the first line here, he writes "Hi Jim, sorry to  
15 bother you again. This guy is really difficult. He's old  
16 school and wants to invest, but he wants a name for somebody to  
17 meet him."

18 Did the defendant forward this e-mail to you?

19 A. Yes, he did.

20 Q. What did he write?

21 A. "Mate, what do you want to do this one? Sounds like  
22 trouble to me."

23 Q. What did you understand him to mean by that?

24 A. Well, we're very nervous about people who lived close by,  
25 just walking in off the street and then bumping into me or

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1 finding out the full, you know, full story of me being  
2 involved. Rather than having a planned and controlled meeting  
3 with someone, other than -- someone other than myself.

4 Q. Going to your response, did you come up with a potential  
5 proposal on this issue?

6 A. Yes.

7 Q. What did you say?

8 A. I said "My sales manager is positioned there, he can meet  
9 him. Just let me know when."

10 Q. Who are you talking about here?

11 A. I was talking about sales director we had recruited called  
12 Sam Aura.

13 Q. What did Sam Aura do for you?

14 A. He was in charge of establishing a sales network for Bar  
15 Works.

16 Q. Did Mr. Aura succeed in that endeavor?

17 A. Yes, he did.

18 Q. Did Mr. Aura know you were Jonathan Black based on  
19 conversations you had with Mr. Aura?

20 A. Yes, he did.

21 Q. Let's go to Government Exhibit 58. At the top do you see  
22 that it is an e-mail from the defendant to yourself on  
23 November 10, 2015?

24 A. Yes.

25 Q. There is a line in here about Asset Folio. Who is Asset

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1 Folio?

2 A. Asset Folio was an agent.

3 Q. What did Asset Folio want?

4 THE COURT: Is it A-S-S-E-T? Is that what you are  
5 saying at the top there? F-O-L-I-O?

6 MR. VAINBERG: Yes, your Honor.

7 THE WITNESS: Sorry. What was the question?

8 Q. Mr. Haddow, directing your attention to the third line. Do  
9 you see where it says "They want something on BW letterhead"?

10 A. Yes.

11 Q. And then on the bottom, did the defendant write "Words as  
12 follows maybe. Asset Folio are an agent of UPG and Bar Works,  
13 duly authorized by Bar Works to offer Bar Works product for  
14 sale."

15 A. Yes.

16 Q. What does it say right after that?

17 A. "Signed M. Mouse."

18 Q. How did you perceive that remark?

19 A. Well, M. Mouse is a made-up person.

20 Q. Let's go to Government Exhibit 70, please. In the middle  
21 of the page, do you see an e-mail from the defendant that says,  
22 "Nat, can you please do me another of these cut and paste  
23 letters as below."

24 A. Yes.

25 Q. And down below, was there a request for another letter from

J653MO01

Haddow - Direct

1 Jonathan Black?

2 A. Yes.

3 Q. This is a letter relating to Asset Folio, right?

4 A. It is, yes.

5 Q. Could you take us through what happens after the defendant  
6 asked -- first of all, who is Nat?

7 A. That's Nathalie Kent, who is my assistant.

8 Q. Did the defendant know that Ms. Kent was your assistant?

9 A. Yes, he did.

10 Q. What did Ms. Kent write?

11 A. She's responded to that request, "Yep, that's fine if okay  
12 with Renwick for me to do."

13 Q. What did you write?

14 A. I said yes.

15 Q. Is there any Jonathan Black on this e-mail?

16 A. No, there isn't.

17 Q. Did the defendant know that when he needed a letter from  
18 Jonathan Black, your assistant would create it as long as you  
19 authorized it?

20 A. That's right.

21 Q. Let's go to Government Exhibit 59. Could you tell us who  
22 this e-mail is from and to and what it says in the first line.

23 A. Yes. That's an e-mail from Jim to myself, at my personal  
24 e-mail address. And it says "Mate, send us this letter please  
25 to me."



J653MO01

Haddow - Direct

1 Q. Did he forward you an e-mail requesting a certain type of  
2 letter?

3 A. He did, yes.

4 Q. Directing your attention to the second paragraph of the  
5 e-mail he forwarded. And the lines, "If we just get a BW  
6 letter that states UPG are authorized to sell BW."

7 Does that refresh your recollection as to what kind of  
8 letter you were asked to produce?

9 A. Yes.

10 Q. And is that consistent with what is stated on the page  
11 here?

12 A. It is, yes.

13 Q. Did you produce that letter immediately?

14 A. I can't recall, to be honest.

15 Q. Do you recall there had been times when it took some time  
16 for you to respond to requests like this and produce Jonathan  
17 Black letters?

18 A. Yes, it did sometimes take some time.

19 Q. Did you ever receive any signs of frustration from the  
20 defendant and others at UPG when it would take time for you to  
21 produce UPG letters?

22 A. Yes.

23 Q. Let's stay on Government Exhibit 59. Can we focus on the  
24 last full paragraph. Who is writing here?

25 A. This is James Robinson.

J653MOO1

Haddow - Direct

1 Q. Who is he writing this to?

2 A. He's writing this to Jim.

3 Q. What did James Robinson write to the defendant?

4 A. "Time and time again it seems there is no wriggle room for  
5 something that actually benefits the vendor here. Basic things  
6 that allow people to sell without Renwick being exposed at all.  
7 A/k/a what Honeyman asked for yesterday could easily have just  
8 said UPG will act as your point of contact for us here at Bar  
9 Works."

10 Q. Why would an authorization letter to UPG allow people to  
11 sell without you being exposed?

12 A. Because it would mean that the agents or the -- yeah, the  
13 agents wouldn't be -- wouldn't have to go back to Bar Works to  
14 ask if these agents had permission to sell from us.

15 Q. Let's look at Government Exhibit 63. And is that a  
16 response from the defendant to James Moore's request for that  
17 letter?

18 A. Yes.

19 Q. I'll just read it into the record. "Write what you need.  
20 Renwick is in full agreement with this. He will put it on  
21 headed paper for you."

22 Did you agree to produce that letter as well?

23 A. I did, yes.

24 Q. Let's go to Government Exhibit 64. Let's just look at the  
25 top half portion. Did the defendant send you text that should

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Haddow - Direct

1 go into that letter as well?

2 A. Yes, he did.

3 Q. What did he write here?

4 A. "Morning, Renwick. Please see to follow letters for  
5 Jonathan's approval."

6 Q. What did you understand that to mean?

7 A. That he wanted me to sign a letter from Jonathan.

8 Q. Why did you understand the defendant was saying "Please see  
9 to follow letter for Jonathan's approval"?

10 A. Because the idea was to make sure that Jonathan appears a  
11 real person, just in case that e-mail or other correspondence  
12 ended up in the wrong hands, maybe ended up in the hands of an  
13 agent who didn't know about the -- my situation. Could end up  
14 in the hands of yourself.

15 Q. Had you had conversations with the defendant about making  
16 sure that e-mails were not explicit that you were Jonathan  
17 Black?

18 A. Yes, I had, yes.

19 Q. Did there come a time when you had those conversations in  
20 person with the defendant?

21 A. Yes.

22 Q. When was that?

23 A. Specifically regarding what I would call e-mail etiquette.  
24 We had that discussion when the guys from UPG came over for the  
25 first time back in November.

J653MOO1

Haddow - Direct

1 Q. Was that in November 2015?

2 A. Yes.

3 Q. Let's look at Government Exhibit 51. Let's just see who is  
4 on this e-mail. Could you tell us who this e-mail is between?

5 A. Yes. This e-mail is from Jim to Neil Storey, James  
6 Robinson, and David Kennedy. And copying me in at my personal  
7 e-mail address.

8 Q. What is this e-mail about?

9 A. This is about their forthcoming trip to New York.

10 Q. Who were they expecting to meet in New York?

11 A. Myself.

12 Q. Is there any Jonathan Black that's listed on this e-mail?

13 A. No.

14 Q. Approximately when did that visit take place?

15 A. That occurred mid -- mid November.

16 MR. VAINBERG: We can take that down.

17 Q. How long did the defendant and UPG's visit to New York  
18 last?

19 A. I think about two or three days.

20 Q. Let's talk about the first day. How did that day begin?

21 A. That day began, they -- James Robinson, David Kennedy, and  
22 Jim and I think Neil was there as well, met us at -- met me at  
23 the location on 39th Street.

24 Q. What did you show them at that location?

25 A. At the time it was -- the location was open. It was a few

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Haddow - Direct

1 members in there. I showed them around the location. And  
2 just, you know, talked about how the project worked, introduced  
3 them to my wife, who was there. There was also an assistant  
4 manager who was there, introduced them to them. And, yeah,  
5 that was about it.

6 Q. And what name did you use to introduce yourself?

7 A. Renwick.

8 THE COURT: Did you know these people before the  
9 meeting?

10 THE WITNESS: I never met them before.

11 THE COURT: You had not?

12 THE WITNESS: I had a few e-mails with them.

13 Q. Other than Mr. Moore, had you ever met David -- James  
14 Robinson, David Kennedy and Neil Storey in person before this  
15 meeting?

16 A. No.

17 Q. After meeting them at Bar Works, how did the day proceed?

18 A. Well, after that, they came -- I think from memory, they  
19 came in the afternoon. We then retired to this restaurant  
20 which was a couple of blocks behind the location in Bryant  
21 Park, which we had a dinner there. My wife was there, James,  
22 Neil, David and Jim.

23 Q. Was there any agenda for this dinner?

24 A. Sorry?

25 Q. Was there any agenda for that dinner?

J653MO01

Haddow - Direct

1 A. No real agenda. Just to get to know each other and just,  
2 you know, discuss the project.

3 Q. Was Jonathan Black discussed at that dinner?

4 A. Not that I can remember, no.

5 Q. Let's go to the second day. How did that day begin?

6 A. That day began with a breakfast, breakfast meeting which  
7 was around the corner, held around the corner from where they  
8 were staying in Times Square. And the purpose of the meeting  
9 was for Jim to give a presentation, and for the guys from UPG  
10 to give a presentation.

11 Q. What were the presentations that were given?

12 A. Jim was -- had been up all night, so he said, and he was  
13 working hard on putting a presentation together for the new  
14 structure of Bar Works. Came up with something called the  
15 wealth builder program. And it was a presentation with a graph  
16 with a tiered increase in returns, incentivizing investors to  
17 invest in more locations. That more locations they invested  
18 in, the higher the returns. And then the idea was to minimize  
19 or discourage people from just buying one location. So we were  
20 trying to get people to buy two and three locations. So he  
21 gave a presentation on that.

22 And after that, the guys at UPG gave a presentation on  
23 how many units, how many locations they expected to sell over  
24 the next -- I think it went up to about March of the following  
25 year.

J653MO01

Haddow - Direct

1 Q. Approximately how many units did UPG project that they  
2 could sell?

3 A. Two figures spring to mind. One was I think they said  
4 they'd could probably sell around about 40 in December. And  
5 they expected to be selling around about 200 by March of the  
6 following year.

7 Q. Now, what, if anything, happened after that breakfast  
8 meeting?

9 A. After the breakfast meeting, we -- I think they then went  
10 to look at the new location we were close to signing. I don't  
11 think we had signed yet because we didn't have the keys,  
12 because we didn't go inside. But we went to the 46th Street  
13 location.

14 Q. Was the defendant part of that meeting as well?

15 A. Yes.

16 Q. What did the defendant see at the 46th Street location?

17 A. So, we went to the location, the -- we couldn't get inside,  
18 so we looked through the windows and we had a little tour of  
19 the area. I think James Robinson took a video of the walk from  
20 46th Street to Times Square to show the proximity to Times  
21 Square. In fact, he came up with a good idea which I liked at  
22 the time, which was to call it the Times Square location.  
23 Before that it was just going to be called 46th Street. So we  
24 incorporated that into the brochure.

25 Q. How did the rest of the day proceed?

J653MOO1

Haddow - Direct

1 A. Later on, I think we all went our separate way after the  
2 46th Street meeting. And then later on we met up at a bar  
3 called Tao near Central Park.

4 Q. What did you do at Tao?

5 A. Well, really, it was a -- turned out to be a very social  
6 evening, a few shots, a few cocktails, that type of thing.  
7 But, we had discussion on their visit, how much they liked the  
8 project. They were very, you know, excited about the prospect.  
9 They loved the 46th Street location. And we talked about a  
10 couple of other -- well, probably talked about a few things,  
11 but two things in particular. We spoke about --

12 Q. Mr. Haddow, was the defendant -- can you tell us who was at  
13 this dinner at Tao?

14 A. So it was myself, James Robinson, David Kennedy, and Jim  
15 Moore.

16 Q. All right. And go on, please, how did the rest of that  
17 dinner go?

18 A. Yeah, we discussed two things in detail that stand out.  
19 The first one we were discussing conflicts. I -- where Sam  
20 Aura who was the sales director of Bar Works or we had another  
21 sales guy, guy called Jack Bone.

22 THE COURT: Jack B-O-N-E?

23 THE WITNESS: Yes.

24 Q. Who was also selling Bar Works, but directly on behalf of  
25 Bar Works. There was sometimes conflicts between them making a



J653MO01

Haddow - Direct

1 sale and UPG making a sale. I, for example, UPG may have  
2 spoken to someone, but Jack Bone ended up closing him. So,  
3 there needed to be some sort of sharing of the commission,  
4 otherwise people would get upset. So that's one thing we  
5 discussed, how we would share the commission out where there  
6 was disputes on sales.

7 And the second thing we discussed, which is something  
8 that Jim initiated, he gave me a little kick under the table  
9 and said let's discuss -- let's discuss our friend. We used to  
10 call him our friend, Jonathan Black was called our friend.  
11 That was his nickname.

12 (Continued on next page)

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J657MOO2

Haddow - Direct

1 BY MR. VAINBERG:

2 Q. Whose nickname was our friend?

3 A. Jonathan Black.

4 Q. Was that a joke that you had with the defendant?

5 A. Yeah, just like an internal joke.

6 Q. So, after he kicked you under the table and said something  
7 like let's discuss our friend, what did you do?

8 A. I said to the group, the three guys, that we needed to  
9 discuss Jonathan Black and how we deal with e-mails and  
10 communication.

11 Q. And what did you say?

12 A. The focus really was on making sure that we treated  
13 Jonathan as a real person, that we made sure if we send e-mails  
14 to each other, we talked about Jonathan as he existed just in  
15 case e-mails ended in the wrong hands. And at the time into  
16 the wrong hands meant it could go to an agent and blow the  
17 whole situation.

18 Also, we discussed -- I was using my own e-mail  
19 address, my renwick@renwickhaddow.com, but I had also  
20 instituted another e-mail address which was  
21 jonathanblack@barworks.nyc, and I was explaining how we needed  
22 to start using that just in case the Renwick Haddow e-mail got  
23 forwarded by mistake to someone else. It's an easy mistake to  
24 make. And everyone agreed with that, and that was the end of  
25 that conversation.

J657MOO2

Haddow - Direct

1 Q. Based on how James Robinson and David Kennedy reacted when  
2 you started talking about Jonathan Black, did you believe that  
3 they had known previously that you were Jonathan Black?

4 A. Yes, there was no adverse reaction.

5 THE COURT: Are those gentlemen all from the UK?

6 THE WITNESS: Yes.

7 Q. So, as a result of having that conversation about e-mail  
8 etiquette, as you put it, did you begin referring to Jonathan  
9 Black as a real person in e-mails with the defendant and others  
10 from UPG?

11 A. Well, I'd say not started because I was doing it before --  
12 we were doing it before -- but it became a bit more  
13 disciplined.

14 Q. Were you and the defendant always successful in making it  
15 seem like Jonathan Black was a real separate person in your  
16 e-mails to each other?

17 A. No, there was a few slip-ups.

18 Q. As part of that visit to New York, did you also separately  
19 meet with an individual by the name of Neil Storey?

20 A. Yes.

21 Q. And can you describe the nature of that meeting.

22 A. Yes. I think that meeting was -- I don't know exactly when  
23 it was, but it was during that period Jim said to me that he  
24 wanted me to meet up with Neil, with him, and he wanted Neil to  
25 come onboard, but it was important for Neil to hear it from me,

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Haddow - Direct

1 from the horse's mouth, my background, what happened with the  
2 FCA, what happened with my directorship ban, so he could  
3 ascertain whether he wanted to get involved with Bar Works.

4 Q. What did you tell Mr. Storey as part of that meeting?

5 A. I gave him a full run-down of my background, you know, from  
6 qualifying as an accountant, to working at Regent Inns, the pub  
7 company, to working at the regulated busy I had, the Arc Fund  
8 Management and Catalyst, all the way up to the land projects,  
9 which was under the Capital Alternatives situation, so I told  
10 him about me being banned as a director for eight years.

11 I did gloss over the seven or eight issues that the  
12 Insolvency Service had with me. I didn't really go into a huge  
13 amount of detail on that, so I glossed over that, but I did  
14 tell him about the ban.

15 I also told him about the FCA action and how they were  
16 successful with the high court action and the decision that it  
17 should have been a collective investment scheme. So, I  
18 explained that.

19 I did gloss that over as well and kind of blame it a  
20 little bit on the FCA and say, well, we did ask for permission.  
21 So, it was my positive side of the story rather than the whole  
22 truth, so to speak. And that's all. But I gave him the full  
23 information, you know, on my background.

24 Then I talked a little bit about Bar Works and, yeah,  
25 that was pretty much it.

J657MOO2

Haddow - Direct

1 Q. Was the defendant present at this meeting?

2 A. He was, yes.

3 Q. Did you have any follow-up calls with the defendant about  
4 that meeting?

5 A. Yeah, I told him I was quite anxious to find out what Neil  
6 had said, what his feedback was, because I hadn't -- he didn't  
7 really say anything during the meeting; he just listened.

8 Q. And what did the defendant tell you?

9 A. He said it went really well and that Neil is onboard.

10 Q. Let's go to Government Exhibit 75, please, and let's look  
11 on page 2 of this exhibit. Is this an e-mail from you?

12 A. Yes.

13 Q. And if we go back to page 1, can you just tell us who you  
14 wrote this e-mail to.

15 A. I'm not sure that's the right e-mail. Is it?

16 Q. So, if we look at -- is this an e-mail chain between you  
17 and a number of people?

18 A. Yes, it is, yes.

19 Q. And at the top can we see the people who are on this e-mail  
20 chain?

21 A. Yes.

22 Q. Who are they?

23 A. That's James Robinson, Jim Moore, myself, David Kennedy and  
24 Neil Storey.

25 Q. And if we go to the beginning of this e-mail chain, on page

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Haddow - Direct

1 2, is that an e-mail from you?

2 A. It is, yes.

3 Q. And is that an e-mail from you to them?

4 A. Yes.

5 Q. Where you say, "Hi, guys. Good to meet/see you all  
6 yesterday," what's that all about?

7 A. That's to do with the meeting we had the day before.

8 Q. And then further on the bottom could you read the last  
9 three lines, please.

10 A. "Also, the price on Jim's presentation needs to increase to  
11 25,000 per unit on the next one, in fact as it is a premium  
12 site maybe we should even increase this to 27.5k plus obviously  
13 ten year use of any Bar Works in the world. Let me know your  
14 thoughts.

15 "Hope you all had a good evening last night!!!"

16 Q. Let's go to page 1, please. Did you get a response from  
17 James Robinson?

18 A. Yes, I did.

19 Q. And could you read the last two lines of that response.

20 A. "Great to meet you too. David and I were really impressed  
21 with what you have done and the model you have built is simply  
22 exceptional. On another note we have already had over 30 Bar  
23 Works leads in from LG" -- which is Lead Galaxy -- "so the  
24 campaign has started with a flourish."

25 Q. And, Mr. Haddow, who was Mr. Robinson referring to when he

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Haddow - Direct

1 said "we were really impressed with what you have done and the  
2 model you have built is simply exceptional"?

3 A. He was referring to me.

4 Q. Let's go to -- you mentioned that the defendant had come up  
5 with a Wealthbuilder Program?

6 A. Yes.

7 Q. And if we go to Government Exhibit 79, page 2, do you see  
8 e-mails from the defendant to someone named Celian that says in  
9 part, "we need to alter the numbers on the wealth builder  
10 presentation please as follows."

11 A. Yes.

12 Q. If we go to the next page.

13 THE COURT: Is that spelled C-e-l-i-n-n? C-e-l-i-a-n,  
14 is that the first name?

15 THE WITNESS: Yes.

16 Q. And then if we go to page 3, what is that?

17 A. That is a presentation that Jim gave at that breakfast.

18 Q. Is this a presentation, or is this a draft of a slide?

19 A. It's the -- it's a draft of the slide, but it's also the  
20 presentation for the Wealthbuilder Program.

21 Q. And is this what you incorporated in some form into the Bar  
22 Works offering materials?

23 A. Yes, we did.

24 Q. Let's go to Government Exhibit 86.

25 Mr. Haddow, did you have any debates with the

J657MOO2

Haddow - Direct

1 defendant about the numbers associated with the Wealthbuilder  
2 Program?

3 A. Yeah, we had a debate on the returns that matched the  
4 number of locations that were sold.

5 Q. And what was that debate generally?

6 A. I wanted the returns to be a little bit higher than his  
7 initial presentation.

8 Q. And who is this chain of e-mail between?

9 A. This chain of e-mails is from Jim Moore to myself and James  
10 Robinson, David Kennedy and Neil Storey.

11 Q. And directing your attention to page 3, do you see the  
12 portion that says on the bottom "of course" -- sorry, at the  
13 bottom of the e-mail, kind of at the top half -- "Of course it  
14 is your business, and ultimately you can do what you want.  
15 This approach will improve volume. Every time."

16 A. Yes.

17 Q. Did the defendant know -- whose business is the defendant  
18 referring to?

19 A. My business. Renwick Haddow.

20 Q. All right, we can take that down, please.

21 Mr. Haddow, are you familiar with the name Julian  
22 White?

23 A. Yes, I am, yes.

24 Q. Who is Julian White?

25 A. Julian White was an early investor in Bar Works.



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Haddow - Direct

1 Q. How much money did Julian White invest?

2 A. He invested I think it was \$600,000.

3 Q. And do you recall how he invested that \$600,000?

4 A. Yes, I am aware of how he invested it.

5 Q. Who recruited Mr. White to invest in Bar Works?

6 A. UPG did.

7 Q. Let's go to Government Exhibit 184, please.

8 And as part of recruiting Mr. White, what, if  
9 anything, did representatives from UPG ask you to do?

10 A. They asked me to arrange a couple of calls to Mr. White to  
11 convert him. They wanted to speak -- he wanted to speak to  
12 Jonathan Black, and he wanted to speak to someone from In Crowd  
13 Equity.

14 Q. And prior to setting up that call with Julian White, did  
15 anyone from UPG pass on questions that Julian White had about  
16 Bar Works?

17 A. Yes, they did.

18 Q. And did you provide answers to those questions?

19 A. I did, yes.

20 Q. If we look on page 2, the e-mail beginning with "Hi Ren"  
21 from JR at the United Property Group.com.

22 A. Yes.

23 Q. Is this an e-mail from James Robinson asking you questions  
24 from Julian White and you providing the answers to that e-mail?

25 A. It is, yes.

J657MOO2

Haddow - Direct

1 Q. And do you see the bullet point that says "U.S. Tech  
2 Startup" and a sentence that is in a lighter shade of gray?

3 A. Yes.

4 Q. Who did you understand that text to be from?

5 A. That text is from Julian White.

6 Q. And then right below that, do you see it says, "As long as  
7 the wall with Robert Haslem goes well as it show independence  
8 and backs up the seed capital from U.S. Tech Startup then we  
9 feel that his request below for accounts can be overcome ..."

10 Who is writing that?

11 A. That's James Robinson's response.

12 Q. And right below that where it says, "I can get Robert to  
13 call him next week. Let me know his number and I will  
14 arrange," who is that from?

15 A. That's from me.

16 Q. Who is Robert Haslem?

17 A. Robert Haslem was a made-up person who was the supposed CEO  
18 of In Crowd Equity.

19 Q. And was that the crowd funding platform that was raising  
20 the money into Bar Works shares?

21 A. That's correct.

22 Q. Let's look on the next bullet point below where it says  
23 "contact with Bar Works." Where it says, "I would appreciate a  
24 phone call, or conference webinar with Bar Works to speak  
25 directly with them," is that from Julian White?

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Haddow - Direct

1 A. It is, yes.

2 Q. And the next sentence, "Whoever you think has the best  
3 quality on the phone your end ..." is that from James Robinson?

4 A. That's right.

5 Q. And what did you respond with?

6 A. I said, "Yes JB."

7 Q. Is that Jonathan Black?

8 A. That's Jonathan Black.

9 Q. By the time you were writing these e-mails, had you already  
10 had your meeting about e-mail etiquette and making Jonathan  
11 Black look like a real person?

12 A. Yes, I think we had.

13 Q. Let's go up to page 1. Do you see Mr. Robinson's response?

14 A. Yes.

15 Q. "Just to clarify when you said JB do you mean Jonathan  
16 Black?" Do you see that written there?

17 A. I do, yes.

18 Q. And then what did Mr. Robinson ask you next?

19 A. "I would like to set up that call for Julian, he is quite  
20 flexible so if you let me know what time/day suits JB, bearing  
21 in mind Julian is in Sweden at present, it would be  
22 appreciated."

23 Q. And what's your understanding for why Mr. Robinson is  
24 asking you to find a date and time that suits Jonathan Black?

25 A. Well, he is keeping the pretense up that Jonathan Black is

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Haddow - Direct

1 a real person. I mean, you know, it's very likely that this  
2 e-mail could quite clearly go into the hands of someone like  
3 Julian White, the agent who was involved in this transaction,  
4 or any other party, so it's sticking with the etiquette that we  
5 had devised.

6 Q. And what did you respond with?

7 A. I said, "Yes Jonathan. How about Tuesday?"

8 Q. What are you doing here, Mr. Haddow?

9 A. I'm continuing with the pretense that, you know, Jonathan  
10 is a real person.

11 Q. And are you setting up a call for Jonathan Black to take  
12 with Julian White?

13 A. Yes.

14 Q. Is there any Jonathan Black e-mail address on this e-mail?

15 A. There is no Jonathan Black e-mail on there.

16 Q. Let's go to -- did you end up having that call with Julian  
17 White?

18 A. Yes, I did.

19 Q. And what was discussed on that call?

20 A. Well, Julian White had a few concerns. He was a little bit  
21 concerned that the location was a bit dark. He had a few  
22 esthetic issues in terms of the color scheme, the lighting, a  
23 few things like that, and so he wanted reassurance really that  
24 the market we were going for wasn't really the uber core  
25 market, it was the general entrepreneur kind of freelance

J657MOO2

Haddow - Direct

1 market, which is what I gave him reassurance about, that we  
2 were going for that freelance general market.

3 And he had a few other concerns in terms of  
4 projections, checking on the projections, and also working out  
5 whether he wanted to invest in shares or whether he wanted to  
6 invest in these leases.

7 THE COURT: In what? Leases?

8 THE WITNESS: Leases.

9 Q. Who was on that call?

10 A. Just myself as Jonathan Black.

11 Q. Did you report on your conversation with Julian White to  
12 anyone?

13 A. Yes, I did.

14 Q. Who did you tell about that conversation?

15 A. I called Jim pretty much directly afterwards.

16 Q. When you say Jim, do you mean the defendant?

17 A. Yes, Jim Moore.

18 Q. Go ahead, Mr. Haddow. How did that conversation go?

19 A. Well, I was very excited because this guy sounded very  
20 interested; it looked like he was going to potentially invest  
21 upwards of 600,000, maybe even more. He was offering maybe up  
22 to a million dollars, so I was very excited that I had made a  
23 big contribution in this conversion. So, I rang up Jim and  
24 said to him that Jonathan has just got off the phone with  
25 Julian White and he's had a really good call. And Jim's

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1 immediate response was, you mean you did. I said, no, no,  
2 Jonathan did. And then I giggled and laughed about it a little  
3 bit, and we moved on to another subject.

4 Q. When you told the defendant, "No, Jonathan did," in what  
5 manner did you say those words?

6 A. In a sarcastic manner. I understood he knew what I was  
7 talking about when I said Jonathan did.

8 Q. We also saw in that e-mail that Mr. White had wanted to  
9 speak to Robert Haslem at In Crowd Equity.

10 A. Yes.

11 Q. Did you arrange for that call to happen?

12 A. I did, yes.

13 Q. How did you arrange that to happen?

14 A. Well, there was no Robert Haslem, so I had to find someone  
15 to make the call, and considering I was also Robert Haslem I  
16 couldn't make that call as well. So, I arranged a salesperson  
17 in the room -- one of the best sales guys in the In Crowd  
18 Equity room -- to make that call, and that happen to be a guy  
19 called Joe Rivera, who made the call to Robert Haslem -- to  
20 Julian White.

21 Q. After those calls, what, if anything, did Julian White  
22 decide to do with his investment?

23 A. He made the investment.

24 Q. And let's look at Government Exhibit 95.

25 THE COURT: So, is it accurate to say that Mr. White

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1 spoke to two people who were not --

2 THE WITNESS: Yes, that's accurate.

3 THE COURT: -- who were not people?

4 THE WITNESS: Not people.

5 Q. Let's look at Government Exhibit 95. Could you identify  
6 who this e-mail is from and to?

7 A. Yes, that e-mail is from James Robinson at UPG to two  
8 e-mail addresses at Bar Works, one an info rep and another is a  
9 membership rep, and copied to Tahyira, who is one of the admin  
10 people at Bar Works, Jason Rivera, who is my assistant, David  
11 Kennedy and blind copied in Jim Moore.

12 Q. What's the subject of the e-mail?

13 A. Deal file - Julian White - 13 leases.

14 Q. What's the deal file?

15 A. It's all the information on a particular investor,  
16 application form, ID and proof of payment.

17 Q. And can you please tell us what was attached to this  
18 e-mail.

19 A. Yes. So, proof of his ID was there, signed lease  
20 agreement, information on the bank transfers he made, and the  
21 share agreement.

22 THE COURT: This reflects that he sent money?

23 THE WITNESS: Yes.

24 THE COURT: How much?

25 THE WITNESS: 600,000.

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1 THE COURT: And how did he send that?

2 THE WITNESS: He sent it in six transfers of 100,000  
3 each.

4 Q. And if we just quickly scroll through those attachments,  
5 can you just identify what they are as we go through them.

6 A. Yes. The first one is a lease agreement with Bar Works for  
7 the investment in the Time Square location.

8 Q. Tell us the next one.

9 A. The next one is a lease agreement for an investment in the  
10 39th Street location.

11 Q. And were those agreements supposed to be signed by Jonathan  
12 Black on your side?

13 A. Yes, they were.

14 Q. Keep going. Is that Mr. White's passport?

15 A. It is, yes.

16 Q. And what's the next thing that was attached here?

17 A. That's a proof of payment for 100,000.

18 Q. What's the beneficiary name for that payment?

19 A. Bar Works Inc.

20 Q. And what's the beneficiary address?

21 A. 47 West 39th Street, New York.

22 Q. And could you just read into the record the last four  
23 digits of the beneficiary account number.

24 A. Yes, 1172.

25 Q. Was this an account at Bar Works that you controlled?



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1 A. Yes, it was.

2 Q. And was that account located in New York?

3 A. Yes.

4 Q. All right. Are you familiar with the name Loreley  
5 Zavattiero?

6 A. Yes, I am, yes.

7 Q. Who is that?

8 A. That was an investor, another investor in Bar Works.

9 Q. Were you made aware of Ms. Zavattiero's investment?

10 A. Yes, I was.

11 Q. Let's look at Government Exhibit 128, please. And just  
12 like the prior e-mail with Mr. White, can you identify who this  
13 e-mail is from and to?

14 A. Yes, that's from James Robinson to two e-mail addresses  
15 again at Bar Works, info and membership, copying in Tahyira,  
16 the administrative assistant, Jason Rivera, David Kennedy and  
17 blind copying in Jim Moore.

18 Q. And what was attached as part of this e-mail?

19 A. There was an application form from the investor, passport  
20 for the ID and transfer information.

21 Q. Was the defendant being made aware of which investors UPG  
22 recruited to spend money into Bar Works?

23 A. Yes, he was.

24 Q. All right. Let's go to Government Exhibit 104, please.

25 Did there come a time when you took another call with an

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1 investor pretending to be Jonathan Black?

2 A. Yes, there was a time.

3 Q. And was one of those investors named Christer Mattson?

4 A. Yes.

5 Q. Did you report on that call to the defendant and others?

6 A. I can't recall reporting to the defendant, but I seem to  
7 remember reporting to UPG.

8 Q. And let's look on this e-mail starting from the middle to  
9 the bottom, beginning with "Hi all." Could you read what you  
10 wrote here.

11 A. "Hi all. Just had a catch up with JB. This investor is  
12 big but is not really interested in buying workspaces. He is  
13 interested in making an equity investment, a sizeable one. JB  
14 will send over the PPM and start a dialog with him. I'll let  
15 you know how he get on."

16 Q. And, again, why are you referring to Jonathan Black as a  
17 separate person who had this call in your e-mail?

18 A. Well, that's our standard protocol by now.

19 Q. If we go to the top of this e-mail, and going on to  
20 including the response to Mr. Moore right below that, that  
21 begins "How does that dilute you and me?" What effect would  
22 another investor's contribution to Bar Works potentially have  
23 on your business arrangement with Mr. Moore?

24 A. Well, as it turned out, this investor wasn't so interested  
25 in investing in the leases under the Wealthbuild Program; he

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1 was more interested in investing in the company and buying  
2 shares in the business. So, the investor had a large figure in  
3 mind to invest, and that potentially would have diluted the  
4 equity. When I say diluted, say he took 20 percent, it would  
5 mean that everyone else's shares would be reduced by 20  
6 percent.

7 Q. And you see that he writes "wants someone on the board".  
8 I'm sorry, that's you writing that the investor wanted someone  
9 on the board?

10 A. Yes.

11 Q. What did the defendant write in response to that?

12 A. He said, "Sounds potentially worse. Give me a call please  
13 - mainly other stuff. Thanks. Yeah, I got that impression  
14 about this guy. Seemed like a stuffy prick, and no way is he  
15 having anyone on any board -- an ironing board maybe."

16 Q. Would you have allowed any investor to have a  
17 representative on the board of Bar Works?

18 A. No.

19 Q. Why not?

20 A. Because any board member other than the people in the know  
21 would quickly ascertain that I was Jonathan Black.

22 Q. Let's move on to Government Exhibit 111, please, on page 1.  
23 Do you see in the middle of the page an e-mail chain with  
24 nick@gbp-consultants.com, the defendant's e-mail address,  
25 jonathanblack@barworks.com and another person from

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1 gbp-consultants.com?

2 A. Yes.

3 Q. Who was nick?

4 A. Nick was a master agent for a Chinese network of real  
5 estate brokers.

6 Q. And focusing your attention on the portion of this e-mail  
7 that reads, "If you recall I wanted to understand the rationale  
8 behind this offering for 125 percent of the original purchase  
9 price," what is that referring to?

10 A. That's referring to nick trying to understand the exit  
11 strategy, how investors were going to get their money back.

12 Q. Let's go off on this chain and let's focus on the top half,  
13 including Mr. Moore's forward. Did Mr. Moore forward this  
14 e-mail to your personal e-mail address?

15 A. Yes, he did.

16 Q. And what did he write?

17 A. He said, "Although the structure" -- Oh, sorry, no.

18 "This twat is a lot more civil now. Can we please  
19 send him his high resolution pictures for brochure 2 (the Time  
20 Square prospectus) how does Jonathan want to explain the  
21 buyback rationale to him?"

22 Q. What did you write?

23 A. I wrote, "Although the structure takes the form of a lease,  
24 because it is a short lease then a residual element has been  
25 built into the lease so that the owner receives his initial

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1 capital back (not 125 percent) it is effectively a reversionary  
2 interest. Some old shit like that anyway."

3 THE COURT: The subject matter on here is "see China  
4 agreements." What does that mean?

5 THE WITNESS: That relates to this agent who was  
6 focused on the Chinese real estate market.

7 Q. We saw earlier that the e-mail chain that this agent was on  
8 had a Jonathan Black e-mail address. Did the defendant know  
9 that was you?

10 A. Yes, he did.

11 Q. And when the defendant e-mailed you asking how does  
12 Jonathan want to explain the buyback rationale to him, who did  
13 he want to answer that question?

14 MR. GARVIN: Object, your Honor. It calls for  
15 speculation.

16 THE COURT: If you can rephrase.

17 Q. What was your understanding of what the defendant was  
18 asking you to do?

19 A. Respond to him, as I did, from Renwick Haddow.

20 THE COURT: Respond to the?

21 THE WITNESS: To that question.

22 Q. Did there come a time when you took that information and  
23 responded to the agent?

24 THE WITNESS: Yes.

25 Q. Let's look at Government Exhibit -- let's keep that

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1 actually on the side screen and look at Government Exhibit 110,  
2 and let's just focus on the top half. Is that an e-mail from  
3 you to the agent, the top being the defendant and that  
4 additional person Ellen?

5 A. Yes.

6 Q. And what is here right below that? What do you write?

7 A. On the one on the right?

8 Q. Mr. Haddow, if we could maybe blow up on the e-mail on the  
9 left the top two lines.

10 A. OK.

11 Q. How does what Jonathan.black@barworks.nyc e-mailed to the  
12 agent compared to what you from your own personal e-mail  
13 addressed to the defendant about what Jonathan should say?

14 A. It's pretty much the same as the one on Exhibit 111.

15 Q. And was that you responding to the agent that way?

16 A. That is, yeah.

17 Q. All right. We can take that down, please.

18 Did that agent sign on to sell Bar Works?

19 A. He did sign on, yes.

20 Q. What order of magnitude of investments did that agent bring  
21 in to Bar Works?

22 A. He was one of our largest agents; he bought in millions of  
23 dollars.

24 THE COURT: Were they Chinese investors?

25 THE WITNESS: Chinese investors.

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1 Q. Did there come a time when you met an individual named Sean  
2 Phillips?

3 A. Yes.

4 Q. Who was that?

5 A. Sean Phillips was one of the founding directors of a UK  
6 company called Fitness First, which is one of the largest  
7 fitness health club operations in the UK.

8 Q. Where did you meet Sean Phillips?

9 A. I met him in New York.

10 Q. Who introduced you to Sean Phillips?

11 A. Jim Moore did.

12 Q. What was the purpose of your meeting Sean Phillips?

13 A. There was an obvious need to increase the membership of  
14 39th Street and to have someone onboard to take that  
15 responsibility. That was one of the big failings of the  
16 company, that we found it very difficult getting members into  
17 those locations. So, he was brought onboard for two reasons,  
18 one, for helping build membership and, two, also his resume was  
19 particularly impressive, so the idea was to put him in the  
20 brochures and on the press releases so we could get more  
21 investment from the investment program.

22 Q. Approximately when did you have that meeting with Sean  
23 Phillips?

24 A. Approximately January 2016.

25 Q. And who else was present at that meeting?

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1 A. There was my wife there, there was Sam Aura there, Jim  
2 Moore and Sean Phillips, maybe Neil Storey.

3 Q. What was generally discussed at that meeting?

4 A. The focus really was on my wife who was running the  
5 memberships side of things and what she was doing and the help  
6 she needed, and he was offering to provide assistance and  
7 support in terms of building membership up quickly, and the  
8 conversation was mainly about how he could help.

9 Q. What was your demeanor like at this meeting?

10 A. I didn't really say a lot at that meeting. It was very  
11 much focused on my wife and himself, so, yeah, I didn't really  
12 participate too much.

13 Q. Were you rude to Sean Phillips in any way?

14 A. No, I wasn't.

15 Q. Did you hire Sean Phillips after this meeting?

16 A. I did, yes.

17 Q. And why did you hire him?

18 A. I hired him because I thought he would do a great job at  
19 recruiting members. Also it would be one less thing I needed  
20 to worry about, one less thing my wife would need to worry  
21 about, and also he would significantly add some credibility to  
22 the management team and help us sell more product.

23 Q. After your meeting with Sean Phillips, did you have any  
24 follow-up meetings with the defendant while he was in New York?

25 A. Yes, I did.



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1 Q. And what, if anything, was discussed at those meetings?

2 A. Well, we met across the street afterwards. In fact during  
3 the meeting I had a call from Sam Aura to say that the  
4 defendant Jim was trying to get him to move over from selling  
5 investments over to selling memberships and he would help Sean  
6 Phillips run that side of the business. So, wasn't very happy  
7 about that, and I made that known to Jim that I wasn't happy  
8 with Sam moving over.

9 And then Jim was spending most of the evening saying  
10 how he wished to marginalize me, Renwick Haddow, because of,  
11 one, my background and, two, the fact that I was half and half;  
12 I was half Renwick and half Jonathan, and it was best -- if we  
13 were going to take this forward -- have a proper team of  
14 well-regarded people to run the business. So, he put together  
15 a structure where he could achieve that.

16 Q. And what was the structure that the defendant presented to  
17 you?

18 A. It was presented verbally at that point, and the structure  
19 was he was suggesting that we take the Bar Works brand and  
20 intellectual property, it was in the U.S. in Bar Works Inc. and  
21 move that overseas so it was protected. And also he identified  
22 two or three very well known guys in the property world, and  
23 they were going to head the business up, and they were rapidly  
24 going to -- he wanted to rapidly expand this through -- I think  
25 he had a couple locations in Dubai that he wanted to roll this

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1 out to quickly.

2 Q. Did you agree to the defendant's proposal to restructure  
3 Bar Works and, as you put it, marginalize you and Jonathan  
4 Black?

5 A. No, I played along with it. I didn't say yes and I didn't  
6 say no. I said, put it in writing, let's take a closer look;  
7 my major concern I said was losing control, let me see what  
8 you've got to show me that I'm not going to be losing control.

9 Q. And during that discussion was it clear to you that the  
10 defendant knew that you were Jonathan Black?

11 A. Yes, totally clear.

12 Q. Let's go to Government Exhibit 125. After you fired Sean  
13 Phillips, did you have follow-up -- did you have conversations  
14 with him?

15 A. Yes, one or two conversations.

16 Q. And generally what did Sean Phillips do for Bar Works and  
17 how long did he stay with the company?

18 A. He put a few marketing ideas together. I think he had a  
19 few calls with Zoe -- well, Zoe, my wife -- on recruiting new  
20 members. He was there probably maybe six to nine months.

21 Q. Now, if we look on this e-mail, do you see in the front  
22 field it's from Sean Phillips to neilstorey1@gmail.com?

23 A. Yes.

24 Q. Copying James Moore, anakp2014?

25 A. Yes.

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1 Q. And the e-mail address listed on top, was that Sean  
2 Phillips' e-mail address?

3 A. Yes, it was.

4 Q. And let's look at this e-mail and just focus on the third  
5 paragraph, please. Can you read what Sean Phillips writes to  
6 the defendant and Neil Storey in the line that begins with "As  
7 you know" and ends with "NYC"?

8 A. OK. "As you know, Renwick and I had an awesome  
9 conversation, and I have a much better understanding of some of  
10 the things that are happening. I will reach out to Chloe (I  
11 think that's her name) (do you have her number) and see what  
12 other info I can get prior to getting my ass to NYC."

13 Q. And can you read the next sentence that ends on "39th  
14 Street".

15 A. Yes. "(2-3 days next week still works for me depending on  
16 timings for the NYC crew) then I can plan some very thorough  
17 implementation schedules for March with emphasis on opening  
18 Time Square and the obvious need to fill 39th Street."

19 Q. Was there an obvious need to fill 39th Street?

20 A. Yes, there was an obvious need.

21 Q. And is this referring to the membership business?

22 A. This is referring to the fact that there were very few  
23 members in 39th Street.

24 Q. Let's go to Government Exhibit 126, and let's just blow up  
25 the top half of this. Did this e-mail -- did Neil Storey send

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1 you an e-mail asking you about who Chloe was?

2 A. Yes, he did.

3 Q. And what did you tell him?

4 A. I said, "Let me brief her first and let's arrange for  
5 Monday. Yes Zoe."

6 Q. Where does the name Chloe come from with respect to the Bar  
7 Works offering materials?

8 A. Well, it's the same name that's in the Bar Works offer  
9 documents.

10 Q. And those are the documents that refer to Chloe Miller as  
11 one of the directors of Bar Works?

12 A. Yes, that's correct.

13 Q. And that's a fake name that you had your wife use, right?

14 A. That's right.

15 Q. Let's go to Government Exhibit 121.

16 THE COURT: We're going to take our short break.

17 MR. VAINBERG: Thank you, your Honor.

18 (Recess)

19 (Continued on next page)

20

21

22

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1 (In open court; jury present)

2 THE COURT: We'll continue with the direct  
3 examination.

4 THE DEPUTY CLERK: Sir, I'd like to remind you that  
5 you're still under oath.

6 THE WITNESS: Okay.

7 MR. VAINBERG: Your Honor, with the consent of the  
8 defense, the government moves Exhibits 176 and 181 in evidence,  
9 which were previously referred to by Mr. Haddow but were  
10 outside the stipulation.

11 THE COURT: Okay.

12 (Government's Exhibit 176, 181 received in evidence)

13 Q. Mr. Haddow, how did the defendant invoice you for his share  
14 of the commission?

15 A. He sent me an invoice shortly after UPG rendered their  
16 invoice for 35 percent of the gross investment.

17 Q. Let's look at Government Exhibit 141, on page two. What is  
18 this?

19 A. That's one of his invoices.

20 Q. Do you see the name of the company at the top, Universal  
21 Voice Tech Inc.?

22 A. Yes.

23 Q. What is that?

24 A. That's his wife's company's name.

25 Q. Was that the company that you paid commissions to for the

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1 defendant?

2 A. It is, yes.

3 Q. Did you make any deductions out of those 35 percent  
4 commission payments?

5 A. Yes, I did.

6 Q. Could you explain those deductions?

7 A. I made deductions based on his 35 percent of the U.S.  
8 business to cover running costs, the capital costs of  
9 refurbishing these locations, and any other associated costs.

10 Q. Did you have discussions with the defendant about the  
11 rationale for making those deductions?

12 A. I did, yes.

13 Q. What was the rationale as discussed with the defendant?

14 A. Well, the rationale was because he was taking 35 percent,  
15 he had 35 percent of the equity in the business, he should also  
16 share 35 percent of the capital costs and running costs.

17 Q. Even after deducting for those costs, approximately how  
18 much did you pay the defendant?

19 A. Between one and a half and two million dollars.

20 Q. How did UPG invoice you for their 30 percent commission?

21 A. They sent an invoice for 30 percent of the gross amount  
22 from each investor.

23 Q. If we look at Government Exhibit 131, directing your  
24 attention to the header. Is what's attached here an example of  
25 an invoice sent to you by UPG?

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1 A. Yes.

2 Q. If we just go back to the first page. Was the defendant  
3 copied on this UPG invoice as well?

4 A. Yes, he was.

5 Q. If we look at the invoice, who is the investor listed in  
6 the second line down to about the seventh line?

7 A. That's the one we looked at earlier, Loreley Zavattiero.

8 Q. What does the 7500 represent here?

9 A. So that represents 30 percent of 25,000, which is the cost  
10 of each work space.

11 Q. All right. We can take that down, please.

12 Mr. Haddow, did there come a time when you introduced  
13 the defendant to a man named Steve Allen?

14 A. Yes.

15 Q. Who is that?

16 A. Steve Allen is a guy I've been working with for a number of  
17 years who used to set up all my overseas companies and bank  
18 accounts.

19 Q. What does Steve Allen do?

20 A. He -- he puts -- he used to put structuring together for me  
21 so that I could send money from my various projects outside the  
22 jurisdiction I was usually working.

23 Q. Was Steve Allen an accountant?

24 A. He was, yes.

25 Q. Generally, were the companies that he set up for you, were

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1 they located offshore?

2 A. They were all offshore, yes.

3 Q. What did you use those companies for?

4 A. I used those for sending money from -- if I was in the  
5 U.K., I would send the money from the U.K. overseas. And if I  
6 was in the U.S., I would send the money from here to the  
7 overseas accounts that he set up for me.

8 Q. What was the source of the money that you sent to those  
9 overseas companies?

10 A. The source of the money was from the Bar Works investment  
11 projects, and from also from the U.K. projects I was involved  
12 in, the African land project and the carbon credit projects.

13 Q. Did you launder money through the offshore companies set up  
14 by Steve Allen?

15 A. Yes, I did.

16 Q. Why did you introduce Steve Allen to the defendant?

17 A. Because Jim was after a similar structure to what I had.  
18 And had talked to me about using -- he asked me if I had any  
19 companies I wasn't using. And I had one, but we kind of -- I  
20 said, well, listen, I'm probably going to use that at some  
21 point. So I passed him over -- I said speak to this guy I've  
22 been using called Steve Allen, and I put the two of them in  
23 touch.

24 Q. Did you send an e-mail to Steve Allen copying the  
25 defendant, introducing them?



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1 A. Yes, I did.

2 Q. Did there come a time when the defendant sent you an e-mail  
3 discussing what Steve Allen was going to do for him?

4 A. Yes.

5 Q. Let's look at Government Exhibit 96. Is this an e-mail  
6 from the defendant to you, copying Neil Storey?

7 A. Yes, it is.

8 Q. Let's focus on the line that begins with "Neil and I are  
9 going to be putting some infrastructure in place with the help  
10 of your pal that you kindly recommended."

11 Who is that referring to?

12 A. That pal was Steve Allen.

13 Q. What is the infrastructure referring to, as far as you  
14 understood it?

15 A. The infrastructure is to take care of what we talked about  
16 earlier, transferring the intellectual property offshore, and  
17 also setting a structure up so we could -- he could transfer  
18 his proceeds outside of the U.S.

19 Q. Let's focus on a portion of this e-mail that begins with  
20 "when we get your guy's report." Let's just go down one line  
21 down as well.

22 Could you read what the defendant was writing to you  
23 here.

24 A. Yes. "When we get your guy's report, I'm sure it will  
25 suggest that Bar Work contract is of course 'protected' in an

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1 overseas company. From there it's a short step to also put a  
2 Spanish company in the middle that receives all the commissions  
3 too. Maybe it's Bar Works admin SL or whatever. We will also  
4 be moving carefully to establish separate marketing and sales  
5 functions that aren't owned by UPG, they will be established  
6 and controlled by Neil and myself, and possibly some of the  
7 team that will run them day to day."

8 Q. Directing your attention to the word "protected." Is that  
9 word in quotes in this e-mail?

10 A. It is, yes.

11 Q. What was your understanding as to why -- what the defendant  
12 meant when he said that the Bar Work contract is of course  
13 protected in an overseas company?

14 A. So, it will be outside mainstream jurisdictions.

15 Q. All right. We can take that down, please.

16 Mr. Haddow, taking a couple of steps back. You told  
17 us at the beginning of this direct that you had gotten married  
18 in the summer of 2015. Did I remember that right?

19 A. Yes, I do, yes.

20 Q. When did you go on your honeymoon?

21 A. Around about March 2016.

22 Q. Where did you go on your honeymoon?

23 A. I went to Bahamas.

24 Q. Let's look at Government Exhibit 132. Let's start on page  
25 two. Actually, just to orient ourselves, let's go back to page

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1 one just to see who this e-mail chain is between.

2 Could you tell us who this e-mail is from and to?

3 A. Yes. This e-mail is from Jim Moore to myself.

4 Q. Is what we see here a chain of e-mails between the two of  
5 you?

6 A. Yes.

7 Q. All right. Going down to the bottom of page one, do you  
8 see an e-mail from the defendant that begins with "hi Ren"?

9 A. Yes, I do.

10 Q. Just at the top, do you see where the defendant writes  
11 "these are all outstanding and present and maybe last week's  
12 too"?

13 A. Yes.

14 Q. What was your understanding of what he's talking about  
15 here?

16 A. He's talking about his invoices that were outstanding.

17 Q. Can you read the last two lines of this e-mail.

18 A. The last two lines? "Shhh. Enjoy the Bahamas. We're  
19 going to get rich."

20 Q. Did the defendant know that you were celebrating your  
21 honeymoon in the Bahamas?

22 A. Yes, he did, yes.

23 Q. And who was this e-mail directed to?

24 A. It was directed to me.

25 Q. Let's go to page one. Can we take a look at your response.

J653MO03

Haddow - Direct

1 What is your response generally about here?

2 A. My response is that his billing was slightly out of sync  
3 with my understanding of the figures, because I've made some  
4 deductions and he wasn't taking those into account in his  
5 invoices.

6 Q. Let's go to his response. Can you read what he wrote.

7 A. He wrote, "Listen, don't worry. I just want us to  
8 reconcile everything so we're all on the same page. It's all  
9 good. Karina will come with me next week with all the records.  
10 Should she sit down with you and I or with Tahyira.

11 Deductions. How's about paying last week in full and taking  
12 deductions from the money before Christmas? And most  
13 importantly, of course, how's the honeymoon."

14 Q. Let's go to your response. What did you write in the last  
15 line?

16 A. "Honeymoon is good. Starting to relax."

17 Q. Let's go to the next e-mail from Jim Moore. Can you read  
18 that.

19 A. Yes. "Okay. I'm sure it's easy to resolve when we sit  
20 down. Not rocket science. New brochure looks great. Glad you  
21 are relaxing a little. Where are you staying? One and only?  
22 Baha Mar? At least the weather is okay too and some good  
23 restaurants there from memory."

24 Q. What's the date of these e-mails about your honeymoon in  
25 the Bahamas?

J653MO03

Haddow - Direct

1 A. The date is March 1st, 2016.

2 Q. Let's go to Government Exhibit 134, and let's just start at  
3 the middle of the page here. Do you see an e-mail from David  
4 Lilley to Neil Storey, defendant's e-mail address, and some  
5 additional people?

6 A. Yes.

7 Q. What's date of that e-mail?

8 A. That's March 2.

9 Q. Is that the day after the honeymoon in the Bahamas e-mail  
10 we just looked at?

11 A. Yes.

12 Q. Who was David Lilley?

13 A. David Lilley was a contact of Jim's who had an agency  
14 network for real estate agents.

15 Q. What, if anything, did you know that the defendant was  
16 trying to do with respect to David Lilley?

17 A. He was trying to get him on -- this David Lilley on board  
18 as a promoter and to bring his agent network on board for Bar  
19 Works.

20 Q. Could you read what David Lilley wrote to the defendant and  
21 others.

22 A. Yes. "So that we can prepare in the professional manner we  
23 prefer, it would be helpful if you could offer us a rough  
24 agenda and itinerary for next week, e.g. do we need to bring  
25 some professional video equipment to record some clips with

J653MO03

Haddow - Direct

1 Jonathan, etc."

2 Q. Was this e-mail forwarded to you at some point?

3 A. Yes, I think it was.

4 Q. What was your understanding as to what David Lilley wanted  
5 to do?

6 A. He wanted to come to New York and put together some video  
7 clips of the location and some interviews with Jonathan.

8 Q. Who is the Jonathan referring to?

9 A. Jonathan Black.

10 THE COURT: He was coming from the U.K.?

11 THE WITNESS: I think -- I'm not sure where he was  
12 coming from, but I think he's U.K. based, yes.

13 Q. Did you want to meet with David Lilley?

14 A. No.

15 Q. You mentioned this e-mail was forwarded to you. Can we see  
16 that forward. Who was it forwarded from and to?

17 A. It was forwarded from Jim to myself and to Neil Storey who  
18 was copied in.

19 Q. What did the defendant write here?

20 A. "Guys, how do we feel we can overcome the Jonathan issue?  
21 He's on honeymoon" question mark.

22 Q. What did you understand the defendant to mean when he wrote  
23 about the Jonathan issue?

24 A. Well, the Jonathan issue as in Jonathan or myself couldn't  
25 appear on a video, when a photo of Jonathan Black is already on

J653MO03

Haddow - Direct

1 LinkedIn and doesn't look anything like me, so let's come up  
2 with an excuse why Jonathan can't be there.

3 Q. What about that line he's on honeymoon?

4 A. That's his potential idea for an excuse why I can't be  
5 there. Jonathan can't be there.

6 Q. Did you respond to the defendant's question in a subsequent  
7 e-mail?

8 A. Yes, I think I did.

9 Q. Let's look at Government Exhibit 135. Let's just blow up  
10 the top half including the honeymoon e-mail. Could you just  
11 walk us through this e-mail beginning with your response.

12 A. Yes. "They can meet Sam and Zoe and our new PR. That  
13 should be enough and you guys can keep them occupied."

14 Q. What did the defendant write in response to that?

15 A. "Okay. Would be great to find a way to get you involved  
16 but equally understand your reticence. We will need a story as  
17 to why Jonathan isn't there. You okay to meet up with Neil and  
18 I on Tuesday though, right."

19 Q. And Mr. Haddow, why did you need a story as to why Jonathan  
20 isn't there?

21 A. Because it would be dangerous for Jonathan to be there.  
22 Because this guy obviously had every intent to produce a video  
23 for his agent network, and his idea was to put Jonathan on that  
24 video, and that would have been disastrous.

25 Q. When the defendant wrote "he's on honeymoon" in quotes, did

J653MO03

Haddow - Direct

1 you understand him to be serious or to be making a joke of some  
2 sort?

3 A. Making a joke of some sort.

4 Q. Who was on their honeymoon at the time of this e-mail?

5 A. I was on a honeymoon at the time of the e-mail.

6 Q. Let's go to Government Exhibit 136. And who is on this  
7 e-mail and what's the date?

8 A. That's an e-mail from Neil Storey to David Lilley, copying  
9 in Jim Moore and a guy called Dion Jacobs, and Mike from  
10 this -- the same business as David Lilley.

11 Q. Is this a response to David Lilley's request to record some  
12 clips with Jonathan?

13 A. Yes, it is.

14 Q. Is that request on the bottom?

15 A. Yes.

16 Q. Directing your attention to Neil Storey's response. Who  
17 did he arrange to record video clips with David Lilley?

18 A. He arranged for Sean Phillips to be there instead.

19 Q. All right. We can take that down, please.

20 Mr. Haddow, while you were promoting Bar Works with  
21 the defendant, in the 2015-2016 time period, what was happening  
22 in the FCA's case against you involving African land and carbon  
23 credits?

24 A. The case was still ongoing, so they were -- it started  
25 to -- that started to move on to a court case regarding



J653MO03

Haddow - Direct

1 restitution to investors, and to work out who was responsible  
2 for some misleading material, misleading statements were in the  
3 many brochures that we produced.

4 Q. Did the FCA provide updates to investors about the status  
5 of its case against you?

6 A. Yes, it did.

7 Q. Let's pull up Government Exhibit 143 and look at the top to  
8 see who this chain is between.

9 A. So this -- sorry.

10 Q. Could you identify this e-mail.

11 A. Yeah, this is from Jim Moore to myself.

12 Q. What's the subject?

13 A. "The F word."

14 Q. What did you understand the F word to be referring to in  
15 this e-mail?

16 A. The F word was the FCA, which is the Financial Conduct  
17 Authority in the U.K.

18 Q. Not the other F word?

19 A. Not the other F word, no.

20 Q. Let's go to the bottom on the second page and see how this  
21 e-mail begins. Is that an e-mail from the defendant to you?

22 A. It is, yes.

23 Q. What did he write here?

24 A. "See you're still getting plenty of airplay from these  
25 guys, seemingly this one was just last Friday."

J653MO03

Haddow - Direct

1 Q. What's shown right below that?

2 A. That's a link to the FCA's website regarding an article on  
3 the capital services investment schemes.

4 Q. Let's look at your response. What did you say?

5 A. I said "It's like a stone in my shoe."

6 Q. What did the defendant say to that?

7 A. "I get a feeling unfortunately that it's about to turn into  
8 a blister. What entity owns Bar Works Inc."

9 Q. What was your understanding as to why the defendant was  
10 asking you who owns Bar Works Inc. in connection with the FCA  
11 lawsuits against you?

12 A. Well, Jim understood that I was receiving a lot of heat  
13 from the FCA, which is obviously likely to continue, which  
14 meant that any assets I had would be under risk.

15 Q. Let's just keep going up on this e-mail chain. You said  
16 the word "probably."

17 A. Yes.

18 Q. And then let's go up to the defendant's response. What did  
19 he write here?

20 A. Jim wrote "I'm off to Spain to kick some ass for a week or  
21 two, also in London. Tons happening and plenty of new starters  
22 employed and otherwise. So at least you should see extra  
23 revenue. Meanwhile, don't scrimp on the lawyers. It would be  
24 helpful if you can get off this one. Have a good evening.  
25 Boarding now."

J653MO03

Haddow - Direct

1 Q. Was it "should" or "it would be"?

2 A. It would be helpful.

3 Q. Why would it be helpful -- what does that mean, Mr. Haddow?

4 A. Helpful so that -- so that, you know, I wouldn't have the  
5 stress and the pressure and the potential freezing orders and  
6 confiscation orders that usually follow these types of actions.

7 Q. How did you respond?

8 A. "Bloody helpful."

9 Q. Let's go to the next e-mail from Jim Moore. Can you read  
10 this e-mail beginning with the words "just worth considering."

11 A. Yes. "Just worth considering a few important points.  
12 Great lawyers, good barrister, massive distance to special  
13 place (hard to get back)."

14 Q. Mr. Haddow, what did you understand the defendant to mean  
15 when he wrote "massive distance to special place (hard to get  
16 back)"?

17 A. I understood that he was talking about finding a location  
18 to disappear off to if things got hot. And to make, you know,  
19 plans that -- you know, contingency plans.

20 Q. Had you had discussions with the defendant before about  
21 making contingency plans and locations other than where you  
22 were living?

23 A. Yes, a few times.

24 Q. Can you describe the nature of those conversations?

25 A. Well, they started really because I had my problems with

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Haddow - Direct

1 the FCA. And one of my biggest worries was that I had been  
2 banned as a director for eight years. And potentially I was --  
3 could have been looked at as acting as a director whilst being  
4 banned in the U.K., and that is a criminal offense in the U.K.  
5 So, I was talking to Jim in particular about that situation.  
6 And I was discussing, you know, ways of -- if I was living in  
7 the U.S., would that protect me, and we were talking about  
8 that. And he said no. We got something called Europol and  
9 Interpol, so that wouldn't protect you. And we discussed  
10 different ideas of, you know, avoiding being arrested, for want  
11 of a better word.

12 Q. Had you discussed any specific countries or means of  
13 identification to travel to those countries?

14 A. Yes. We talked in general. I mean, the only specific one  
15 I remember is he mentioned to me a scheme that was running in a  
16 place called Dominica where they issue separate passports. And  
17 it was just a general conversation, other than that.

18 Q. What was your understanding of the words "hard to get  
19 back"?

20 A. Hard for whoever is after me to get me back.

21 Q. We can take that down, please.

22 Did there come a time when you had a falling out with  
23 the defendant?

24 A. Yes, there did come a time.

25 Q. Can you describe what happened.

J653MO03

Haddow - Direct

1 A. Yeah, that was around about June 2016. I think I alluded  
2 to earlier that he had -- I found out from my sales director  
3 Sam Aura that there was a brochure that his agents had been  
4 sending to him, where there was a competing product called Our  
5 Space. And it was opening a first location, I think was in  
6 Dubai, with other locations in the same locations as us, New  
7 York, San Francisco, etc. So I was pretty upset by that. And  
8 Sean Phillips was a director of the company, and all the agents  
9 were saying that Jim was behind this. So that resulted in a  
10 falling out between the two of us.

11 Q. What kind of company was Our Space, as far as you  
12 understood?

13 A. Our Space offered a similar concept to us. It had a  
14 coworking space business with also an investment program  
15 attached to it, similar to ours.

16 Q. Prior to your falling out with the defendant, did you have  
17 any debates or disputes about agent poaching?

18 A. Prior to that, we'd had many discussions, a few disputes,  
19 mainly discussions about Sam Aura taking agents from UPG, and  
20 also Jack Bone taking investors from UPG.

21 Q. What was your role in those discussions?

22 A. I was trying to placate the parties and trying to resolve  
23 issues between the two.

24 Q. Mr. Haddow, did you want agents to come over to the Sam  
25 Aura side of the table?

J653MO03

Haddow - Direct

1 A. I'd prefer if they were over there than over at UPG, yes.

2 Q. Did you mind that Sam Aura was poaching agents from UPG?

3 A. Not really.

4 Q. Why did you prefer that?

5 A. Because the commission was lower with Sam Aura than it was  
6 with UPG.

7 Q. Can you just explain that to us. What was the commission  
8 with Sam Aura and what would you have to pay for UPG?

9 A. I was paying UPG 65 percent, and I was paying Sam Aura  
10 30 percent.

11 Q. When you say you were paying UPG 65 percent, are you  
12 including the defendant's cut as well?

13 A. I am, yes.

14 Q. Did you pay all of the invoices sent by the defendant and  
15 UPG?

16 A. No.

17 Q. Did the defendant try to get you to pay some of those  
18 invoices before you had your falling out?

19 A. Yes, he did, yes.

20 Q. Let's look at Government Exhibit 160. Can you just tell us  
21 what's going on here?

22 A. Well, other than the picture, "No, I won't pay your bloody  
23 invoice, can't you see I'm drinking." It was an e-mail from  
24 Jim to myself.

25 Q. When did he send you that e-mail?

J653MO03

Haddow - Direct

1 A. He sent me that on the 1st of June.

2 Q. Who is pictured in this e-mail?

3 A. That's the both of us enjoying a drink somewhere.

4 Actually, I think that was Miami. I think he was trying to  
5 appeal to my -- my -- pull my heartstrings.

6 Q. Did that work?

7 A. No, not really. Not really, no.

8 Q. Did you have a discussion with the defendant about him  
9 starting a competing business in Our Space?

10 A. Yeah. I wouldn't call it discussion, I would call it more  
11 of me getting angry with him.

12 Q. What did you say to him?

13 A. Well, he called up specifically asking for his invoice to  
14 be paid. And I confronted him with the fact that he had a  
15 competing product on the market. Firstly he said it wasn't  
16 him. Secondly, he then said it was him, but, it wasn't in --  
17 in competing locations. And then I identified that it was the  
18 brochure had San Francisco, New York, and Miami in locations  
19 that we were planning to open in. And he said, well, whatever.  
20 And just make sure you pay my invoice.

21 Q. Let's look at Government Exhibit 162. And let's just zoom  
22 in on the first four lines or so. Is this an e-mail from the  
23 defendant to yourself, copying Neil Storey and another account?

24 A. Yes.

25 Q. It says, "Hi Renwick. Hopefully now you've calmed down a

J653MO03

Haddow - Direct

1 bit and stopped the accusations. You will have worked out that  
2 Our Space is not us or me. Our Space is owned by the guys we  
3 approached to help launch Bar Works internationally."

4 Is this related to what you were just testifying  
5 about?

6 A. That's correct, yes.

7 Q. Let's go to the middle of this e-mail and where it begins  
8 with "We shouldn't be competing with Sam or you."

9 I'll just read this and ask you a question about it.  
10 The defendant writes "We shouldn't be competing with Sam or  
11 you. He's blatantly stolen from under our noses time and time  
12 again, and mate, you've done nothing to stop it. And you  
13 should have. If anything is unforgivable here, that's it.  
14 Deliberately fucking your business partner who helped you put  
15 this on the map."

16 Did the defendant and UPG help put Bar Works on the  
17 map?

18 A. Yes. Yes, they did.

19 Q. Let's go back out of this e-mail. How much money did the  
20 defendant claim you owed him?

21 A. About a million dollars.

22 Q. Did he offer to take a smaller amount as payment?

23 A. Yes, he did.

24 Q. How much?

25 A. From memory, I think he would accept half. Half a million



J653MO03

Haddow - Direct

1 dollars.

2 Q. Did you pay him any money that he claimed you owed him?

3 A. No.

4 Q. Did he make any statements about what might happen next if  
5 you didn't pay?

6 A. Yes. But, there were kind of general, if you don't pay,  
7 you know, it will get messy type statements.

8 Q. Let's pull up Government Exhibit 172 and I just have a few  
9 quick questions to you on this one. While it's getting pulled  
10 up, how did Bar Works keep track of investor money?

11 A. Bar Works had an internal spreadsheet with all the investor  
12 deals on and the information on each of the deals.

13 Q. Were you generally familiar with those spreadsheets?

14 A. Yes, I was.

15 Q. Is this a version of one of those spreadsheets?

16 A. Yes, it is.

17 Q. Can you just quickly identify what's in the name, date of  
18 purchase, broker lease number, and the next column after that.

19 A. Yes. So we just take the top one. On row five, Fabio  
20 Cimmenella. His date of purchase was October 21, broker in  
21 this case was Howard. He purchased one lease for \$22,000. And  
22 his first payment due was, rental payment due was November 4.

23 Q. Let's go to, do you see a column --

24 THE COURT: Before you do, and what does certificate  
25 number mean?

J653MO03

Haddow - Direct

1 THE WITNESS: That's the certificate, you know, the  
2 proof of ownership certificate.

3 THE COURT: That you prepared?

4 THE WITNESS: Yes.

5 THE COURT: So each one had a number on it?

6 THE WITNESS: Yes.

7 THE COURT: And what about bank name and routing  
8 number?

9 THE WITNESS: So that was where they would want their  
10 returns paid to.

11 Q. Do you see a tab that says turnover by agent?

12 A. Yes.

13 Q. What does turnover mean?

14 A. Turnover is the amount of money invested by investors.

15 Q. According to this spreadsheet, as of whatever date the  
16 spreadsheet was prepared, how much money had United Property  
17 Group brought into Bar Works?

18 A. The total amount was seven and a half million dollars.

19 Q. Did you have an opportunity to review this spreadsheet  
20 before testifying here today?

21 A. Yes, I did.

22 Q. In what month did you see the last investor payment come in  
23 from investors associated with United Property Group?

24 A. June of 2016.

25 MR. VAINBERG: We can take that down, please, thank

J653MO03

Haddow - Direct

1 you.

2 Q. Did there come a time when United Property Group stopped  
3 selling Bar Works?

4 A. Yes.

5 Q. Approximately when was that?

6 A. In June of 2016.

7 Q. After UPG stopped selling Bar Works, did you continue to  
8 raise money from investors?

9 A. Yes, I did.

10 Q. How did you do that?

11 A. Mainly through Sam Aura's network, and network of agents,  
12 and through Jack Bone who was running a sales operation for Bar  
13 Works.

14 Q. Did both Sam Aura and Jack Bone know the truth about  
15 Jonathan Black and you?

16 A. Yes, they did.

17 Q. Did there come a time when Renwick Haddow's involvement in  
18 Bar Works became more public?

19 A. Yes.

20 Q. When was that?

21 A. That was in about January 2017, when an article appeared in  
22 a real estate magazine in New York.

23 Q. Generally, what did that article report regarding you?

24 A. It reported my involvement, it reported that I was also  
25 using a pseudonym called Jonathan Black, and reported that I

J653MO03

Haddow - Direct

1 was a Ponzi scheme operator.

2 Q. Did the article include the LinkedIn profile created for  
3 Jonathan Black?

4 A. Yes, it did.

5 Q. Was that a LinkedIn profile created by somebody at Bar  
6 Works for you?

7 A. Yes.

8 Q. I believe you've testified about it, but it didn't have  
9 your picture on it, right?

10 A. It didn't have my picture, no.

11 Q. What, if anything, did you do to minimize exposure from  
12 Jonathan Black in around this time period?

13 A. We promoted a guy that we'd taken on who was a guy called  
14 Frank Kinard. Frank Kinard was taken on as a marketing  
15 manager. And myself and Sam decided to promote him as the  
16 managing director of Bar Works.

17 Q. What, if anything, happened to the signature on the leases  
18 given to investors?

19 A. Well, Jonathan Black came off most correspondence, and most  
20 of the brochures, and Frank Kinard came on in his place.

21 Q. Just so we're clear, did the defendant have anything to do  
22 with Bar Works at this point?

23 A. No.

24 Q. Did there come a time when Bar Works stopped making  
25 payments to investors?

J653MO03

Haddow - Direct

1 A. Yes.

2 Q. When was that?

3 A. That was probably around May 2017.

4 Q. Why did you stop making payments?

5 A. Because after that article, a number of other articles  
6 appeared in Crain's and various other places, online in  
7 particular. Agents found out. Clients found out. Clients of  
8 agents found out. And we managed to keep them on board to a  
9 certain extent, but, after a month or so, the fallout was too  
10 much. So investors stopped putting their money into the  
11 product, and by this stage, the rental returns were pretty  
12 high, I think they were kind of around a half a million a  
13 month. So, we just got to the point there was no new money  
14 coming in to cover those investments, and obviously there was  
15 no memberships to cover them, and we had to close shop.

16 Q. Did you leave the United States at some point in June of  
17 2016?

18 A. I did, yes.

19 Q. Where did you go?

20 A. I went on a roundabout trip back to the U.K. I started off  
21 going to the Bahamas, and then I flew to the U.K.

22 Q. Did you stay in the U.K.?

23 A. I stayed in the U.K. for a week. I was with my kids. And  
24 then I flew to Morocco for a short trip.

25 Q. Did there come a time when you had learned that you were

J653MO03

Haddow - Direct

1 charged with crimes in connection with Bar Works?

2 A. Yes.

3 Q. Where were you when you learned that?

4 A. I was at the airport in Morocco, in Casablanca, ready to  
5 fly back home to the U.K.

6 Q. How did you learn that you were charged with crimes in  
7 connection with Bar Works?

8 A. When I managed to get a wi-fi reception, the first message  
9 that popped up was from my wife, saying FBI, don't go back to  
10 London.

11 Q. What did you understand her to mean?

12 A. I was in deep shit.

13 Q. Where was the FBI?

14 A. They had just raided her house or our house in the U.S.

15 Q. What did you do after learning that the FBI was raiding  
16 your house and there were charges against you?

17 A. Well, my first reaction was call my lawyer. My second  
18 reaction was go to my house in Morocco.

19 Q. Do you have property in Morocco?

20 A. Yes.

21 Q. And did there come a time when you were arrested?

22 A. Yes, there was a time.

23 Q. When was that?

24 A. That was on the 26th of July, 2017.

25 Q. Where were you arrested?

J653MO03

Haddow - Direct

1 A. I was arrested in a place called Tangier in Morocco.

2 Q. What happened to you after that?

3 A. After nine months in a very unpleasant prison in Morocco, I  
4 was finally extradited back to the U.S.

5 Q. Have you been in custody ever since you were arrested in  
6 Morocco in July of 2017?

7 A. Yes, I have.

8 Q. Let's pull up Government Exhibit 143. And directing your  
9 attention to the portion of the e-mail where the defendant  
10 writes "A few important points. Great lawyers, good barrister,  
11 massive distance to special place (hard to get back)."

12 Did you consider Morocco to be a special place that  
13 would be hard to get you back from?

14 A. Yes.

15 MR. VAINBERG: Nothing further at this time.

16 THE COURT: Okay. Counsel, did you want to start  
17 cross or?

18 MR. GARVIN: Your Honor, in view of the fact that it  
19 is the noontime, instead of starting and stopping, I'd  
20 appreciate if we could break at this time.

21 THE COURT: Is that okay with you? We'll take lunch  
22 now. It's five past 12, and we'll pick up at five past  
23 1 o'clock with the cross-examination.

24 (Jury excused)

25 (Continued on next page)

J653MO03

1 THE COURT: Mr. Garvin, did you work out lunch  
2 yesterday?

3 MR. GARVIN: Yes, your Honor. I have a request for  
4 the Court though. Your Honor, if it would be permissible, I'd  
5 like to stay in the courtroom during the lunch recess. Because  
6 I have access to the computer, and organize my thoughts so that  
7 things move more smoothly when the jury comes back.

8 THE COURT: I think that will be okay. We have  
9 somebody here during the lunch break.

10 MR. GARVIN: Thank you.

11 THE COURT: See you at five past 1.

12 (Recess)

13 (Continued on next page)

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J653MO03

Haddow - Cross

## AFTERNOON SESSION

1:15 p.m.

(In open court; jury present)

THE COURT: Mr. Garvin, we will begin with  
cross-examination at this time.

MR. GARVIN: Thank you, your Honor.

THE DEPUTY CLERK: Sir, I'd like to remind you you're  
still under oath.

THE WITNESS: Okay, thank you.

MR. GARVIN: Good afternoon, ladies and gentlemen.

## CROSS-EXAMINATION

BY MR. GARVIN:

Q. Good afternoon, Mr. Haddow.

A. Good afternoon.

Q. Mr. Haddow, my name is David Garvin. I represent Mr. Moore  
in this case.

A. Okay.

Q. Mr. Haddow, I'd like to start by asking how much have you  
rehearsed for your testimony here before the ladies and  
gentlemen of the jury?

A. I haven't rehearsed. There was no rehearsing.

Q. Sir, you have met with the government in this case; isn't  
that correct?

A. That's correct.

Q. You know that when the government meets with you, they

J653MO03

Haddow - Cross

1 prepare notes each time they meet with you; is that correct?

2 A. I understand that, yes.

3 Q. You know that those notes are then made available to  
4 myself, because I represent Mr. Moore; you know that, right?

5 A. Yes.

6 Q. And you know that those notes reflect what you told the  
7 ladies and gentlemen that represent the United States.

8 Correct?

9 A. Yes, correct.

10 Q. And isn't it an accurate statement to say that you met with  
11 the agents in this case approximately 10 times over the last  
12 roughly year and a half?

13 A. It was actually more than that. But that's -- yes.

14 Q. When was the last time that you met with the agents in this  
15 case?

16 A. The last time was the weekend, on Saturday.

17 Q. So, on or about June 3?

18 A. Yes, on or about.

19 THE COURT: June 3 was Monday I think.

20 Q. So June 1st or June 2nd?

21 A. Yes, approximately.

22 Q. Sir, isn't it a fact that you went over the questions that  
23 would be asked? Isn't that true?

24 A. No, we went through the evidence and the exhibits.

25 Q. Isn't it a fact you also provided what your answers were

J653MO03

Haddow - Cross

1 going to be?

2 A. I reviewed the evidence, and I gave my understanding to the  
3 evidence.

4 Q. Sir, just so we're clear, the agents, and on occasion even  
5 counsel, met with you, correct?

6 A. Correct.

7 Q. And when you met with them, you went over the evidence as  
8 you just described. Correct?

9 A. Correct.

10 Q. And they asked you questions, correct?

11 A. Correct.

12 Q. And you gave them your answers. Right?

13 A. I gave them the answers, yes.

14 Q. And it was not the first time that you were reading these  
15 exhibits that you've read today; isn't that true?

16 A. Yes.

17 Q. And it was not the first time that you read those exhibits  
18 yesterday when you appeared before the ladies and gentlemen of  
19 the jury; isn't that correct?

20 A. That's correct.

21 Q. In fact, on some occasions, you stopped halfway through a  
22 paragraph, without ever being told stop. Isn't that true?

23 A. I don't know. I can't remember, but if you say so.

24 Q. Isn't it also true, sir, that you lied when you told this  
25 honorable court and the ladies and gentlemen of the jury you

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Haddow - Cross

1 didn't rehearse, because you certainly rehearsed.

2 A. No. That's not true.

3 Q. The first time that you met with the ladies and gentlemen  
4 from the United States was approximately June 30 of 2017; isn't  
5 that correct?

6 A. I don't know for exact, but that sounds about right.

7 Q. And then you met with them again on May 25 of 2018; isn't  
8 that true?

9 A. Possibly. I don't have the dates to hand.

10 Q. You met again with them on May 30 of 2018; isn't that true?

11 A. Again, I can't confirm.

12 Q. Isn't it also true that you met with them again in June of  
13 2018, on or about June 14. Isn't that true?

14 A. Possibly, yes.

15 Q. You met with them in July; isn't that right?

16 A. Possibly.

17 Q. I'm sorry, I can't hear you.

18 A. Possibly.

19 Q. In August; isn't that true?

20 A. Again, possibly, yes.

21 Q. And September 17, 2018; isn't that true?

22 A. Again, possibly.

23 Q. In October, isn't that true? October 2018?

24 A. If you have the date there, yes.

25 Q. Well, sir, do you remember being there and answering

J653MO03

Haddow - Cross

1 questions, going over the evidence, in October of 2018 with the  
2 ladies and gentlemen from the United States?

3 A. I remember -- of course I remember being with them, but I  
4 can't confirm the date.

5 Q. But the other dates you were able to recognize?

6 A. No, not really, no. I'm in prison. I don't remember the  
7 dates as well as you have there.

8 Q. Well, sir --

9 MR. GARVIN: Please forgive me. I'm turning on the  
10 Elmo. There we go.

11 Your Honor, this is not in evidence but is for a  
12 demonstrative only. I may seek permission to place something  
13 on the Elmo just for demonstrative purposes.

14 THE COURT: Prepared by?

15 MR. VAINBERG: We just ask for an opportunity to see  
16 what it is.

17 (Counsel conferring)

18 MR. GARVIN: I'll do it a different way since there  
19 seems to be an issue.

20 Q. Sir, when you were testifying, you remembered all the  
21 dates, didn't you?

22 A. What dates are you talking about? Meeting dates?

23 Q. The dates, for example, that you met with James Robinson  
24 from UPG, and David Kennedy from UPG. You knew that date,  
25 right?

J653MO03

Haddow - Cross

1 A. No, I never set it in the date. I always remembered it was  
2 roughly in November. My dates have always been roughly because  
3 I can't be sure the exact dates.

4 Q. Sir, would it surprise you that virtually four out of five  
5 dates that I just told you, you did not visit with the ladies  
6 and gentlemen of the jury -- excuse me, with the ladies and  
7 gentlemen of the government?

8 MR. VAINBERG: Objection.

9 THE COURT: I'm sorry, I didn't understand that.

10 MR. GARVIN: Yes, I'll try to rephrase.

11 Q. I had asked you moments ago if you had met in July of 2018,  
12 August of 2018, September of 2018, and you indicated that you  
13 had. But --

14 THE COURT: I'm not sure that was the testimony.

15 A. That wasn't my testimony, no.

16 Q. Sir, the point is that you have rehearsed over and over  
17 again for your testimony here today; isn't that true?

18 A. That isn't true, no.

19 Q. All right. You are currently under arrest; is that  
20 correct?

21 A. Sorry?

22 Q. You are currently under arrest; is that correct?

23 A. I'm currently in custody.

24 Q. Right. But you have not been sentenced yet?

25 A. Not yet, no.

J653MO03

Haddow - Cross

1 Q. And you've been charged on four counts?

2 A. That's correct.

3 Q. And each of those counts carries a maximum sentence of 20  
4 years; isn't that correct?

5 A. That's correct.

6 Q. And I believe you told us that you are facing a maximum  
7 sentence of 80 years in this case; is that right?

8 A. That's correct.

9 Q. But, you also testified that there is a possibility that  
10 you'll get what's called credit time served. Isn't that right?

11 A. That's correct.

12 Q. And credit time served means that if you receive that as  
13 your sentence, the time that you have been held to date will be  
14 deemed sufficient as your sentence; isn't that right?

15 A. I think that's the definition, yes.

16 Q. So that would mean no more jail time, right?

17 A. That's the best case scenario, yes.

18 Q. And you told us about something called a 5K1. Do you  
19 recall that?

20 A. I do.

21 Q. A 5K1 is a special portion of the federal sentencing  
22 guidelines; isn't that correct?

23 A. I think it is, yes.

24 Q. And isn't it also correct that a 5K1 is a motion that has  
25 to be filed by the ladies and gentlemen of the United States?

J653MO03

Haddow - Cross

1 Isn't that also true?

2 A. That's correct.

3 Q. And what that means is that the defense can't file that  
4 motion. Isn't that true?

5 A. What do you mean? I don't understand the question.

6 Q. Your attorney can't file that motion; isn't that true?

7 A. My attorney can't, no.

8 Q. In fact, not even his Honor can file that motion. Isn't  
9 that true?

10 A. That's correct.

11 Q. The only people that can file that motion is the  
12 government; isn't that right?

13 A. Yes.

14 Q. In particular, the United States attorney's office. Isn't  
15 that true?

16 A. That's correct.

17 Q. So, the United States attorney's office has authority to  
18 sign that motion, but first they have to make a finding that  
19 you have provided the government substantial assistance in the  
20 investigation or prosecution of another person who has  
21 committed a crime. Isn't that true?

22 A. That's correct.

23 Q. So that means that if you came in here and testified that  
24 James Moore didn't know that Jonathan Black was fictitious and  
25 did not exist, if you said that, that would not qualify for 5K1



J653MO03

Haddow - Cross

1 reduction of sentence. Isn't that true?

2 A. I don't really understand your question.

3 Q. You understand, because you've told us that you are hopeful  
4 to have a 5K1 motion filed on your behalf. Isn't that right?

5 A. Yes, I understand that, yes.

6 Q. And you're hopeful that if that motion is filed, that this  
7 Honorable Court will reduce your sentence, perhaps all the way  
8 down to credit time served. Isn't that true?

9 A. That's possible, yes.

10 Q. And it is also true that to qualify for that motion, you  
11 have to substantially assist the United States. Correct?

12 A. Correct.

13 Q. You have to substantially assist the United States in their  
14 investigation or prosecution of another person who has  
15 committed a crime. Correct?

16 A. Correct.

17 Q. That means that if you came in here and said Jim Moore  
18 didn't know that you made up Jonathan Black, if you said that,  
19 you realize you would not get a motion.

20 A. Incorrect. The agreement is that I tell the truth. That's  
21 the overriding agreement. Whether Jim Moore knew about  
22 Jonathan Black or didn't know about Jonathan Black, it's my  
23 recollection of the events that are important.

24 Q. Sir, I want to make sure that I understood your answer. So  
25 your answer to the question is that if you came in here and

J653MO03

Haddow - Cross

1 truthfully said that Jim Moore did not know about Jonathan  
2 Black, that would you still qualify for a 5K1 reduction?

3 MR. VAINBERG: Objection.

4 THE COURT: I'll allow it. Go ahead.

5 Q. Is that your testimony?

6 THE COURT: You said would qualify?

7 MR. GARVIN: Yes.

8 THE COURT: I think you mean in your question "could  
9 qualify."

10 MR. GARVIN: Yes.

11 MR. VAINBERG: Just for the record, my objection is to  
12 the characterization of the word "truthfully."

13 THE COURT: You think what?

14 MR. VAINBERG: To the use of the word "truthfully" as  
15 vague, compound.

16 THE COURT: Yeah.

17 MR. GARVIN: He used --

18 THE COURT: Go ahead. Keep going.

19 Q. Is that --

20 A. Do you mind repeating the question please after that?

21 Q. Yes. You just testified that if you -- let me rephrase.

22 You've advised us that you are required to testify  
23 truthfully. Correct?

24 A. That's correct.

25 (Continued on next page)

J657MOO4

Haddow - Cross

1 BY MR. GARVIN:

2 Q. And I asked you if you truthfully said that Jim Moore was  
3 not guilty because he did not know that Jonathan Black did not  
4 exist, you would not qualify for a 5K1 because that would not  
5 be considered a person who committed a crime, correct?

6 MR. VAINBERG: Objection. Compound.

7 THE COURT: Sustained. Sustained.

8 Q. Sir, it would be fair to say that you have decided that  
9 your best way to get a reduced sentence -- perhaps all the way  
10 to credit time served -- is to say that you told Jim Moore that  
11 you were Jonathan Black; isn't that true?

12 A. No, that's incorrect.

13 Q. Sir, do you have any proof that you told Mr. Moore that you  
14 were Jonathan Black?

15 A. There are many confirming e-mails where we both slipped up  
16 on e-mails between the two of us. I think there is ample  
17 confirmation within the e-mail correspondence between the two  
18 of us that Jim Moore clearly knew of Jonathan Black, that  
19 Jonathan Black was myself.

20 Q. Sir, is there an e-mail where you write I am Jonathan  
21 Black?

22 A. There would never be an e-mail like that.

23 Q. You told the ladies and gentlemen of the jury that there  
24 was a telephone call. Do you recall that?

25 A. Yes.

J657MOO4

Haddow - Cross

1 Q. What was the date of that telephone call?

2 THE COURT: Of which telephone call?

3 Q. The telephone call in which he asked you are you Jonathan  
4 Black. Do you recall that, sir?

5 A. I do recall that, yes.

6 Q. And when was that?

7 A. I think it's very unrealistic that you request me to give  
8 you dates, specific dates. I'm not able to do that, but I can  
9 give you a rough idea of when that would be. But, you know,  
10 it's three years ago since then, and even if you had asked me  
11 three weeks after the phone call, I still wouldn't give you the  
12 date, just like we couldn't work out what day Monday was when I  
13 was last with the prosecutor.

14 Q. Sir, I want to try to move on from this area, but I would  
15 like to ask you how old are you now?

16 A. 50.

17 Q. 50 years old, sir?

18 A. 50 years old, yes.

19 Q. And as you told us earlier during your direct examination  
20 your maximum sentence is possibly 80 years; is that correct?

21 A. Yes, that's correct.

22 Q. And if that happened, that would be the equivalent of life  
23 in prison; isn't that correct?

24 A. That's correct.

25 Q. And you would agree, would you not, that no one wants to go

J657MOO4

Haddow - Cross

1 to prison for that period of time, correct?

2 A. Correct.

3 Q. And so you're not neutral in this case. You have a bias in  
4 this case for the government; isn't that true?

5 A. I don't know about the word bias, no.

6 Q. You're hoping that the government wins in this case because  
7 that increases your chances of getting your 5K1; isn't that  
8 true?

9 A. Incorrect. It makes no difference to me whether the  
10 government wins or loses this case.

11 Q. Let's talk about your history a little bit, sir. You were  
12 involved in the company called Branded Leisure?

13 A. That's correct.

14 Q. And is it fair to say that Branded Leisure raised money?

15 A. It did, yes.

16 Q. And is it fair to say that Branded Leisure raised  
17 approximately 1.2 million pounds?

18 A. That's right.

19 Q. And that's roughly a million and a half dollars; is that  
20 correct?

21 A. That's correct.

22 Q. And is it also fair to say that the investors who put up  
23 that money lost all of it?

24 A. That's correct.

25 Q. But you kept part of it for your lifestyle; isn't that

J657MOO4

Haddow - Cross

1 true?

2 A. That's correct.

3 Q. And isn't it also true that there was an investigation that  
4 started in the United Kingdom as a result of Branded Leisure?

5 A. That's correct, yes.

6 Q. So, the net result of that investigation was that you  
7 received a ban from being a director in the UK; isn't that  
8 right?

9 A. That's correct.

10 Q. Now, during this period of time, in or about -- would this  
11 be in or about 2006 when you were first banned by the  
12 Department of Trade and Industry?

13 A. No, it was in and around 2008.

14 Q. OK. And when did you operate Branded Leisure?

15 A. That was in operation around 2002.

16 Q. So when did Branded Leisure go out of business?

17 A. Around maybe 2003.

18 Q. And was there litigation that followed?

19 A. Litigation -- yes, there was litigation with the Insolvency  
20 Service.

21 Q. And did you attend any of the hearings?

22 A. Yes, I attended a few hearings, yes.

23 Q. And as a result of those hearings, were you ever requested  
24 to testify?

25 A. No, I accepted a ban.

J657MOO4

Haddow - Cross

1 Q. And the reason why you accepted the ban, sir, was because  
2 you had in fact violated the law; isn't that correct?

3 A. That's correct.

4 Q. And during that period of time you did not know Jim Moore;  
5 isn't that true?

6 A. That was prior to knowing Jim Moore, yes.

7 Q. When you met Jim Moore, did you know where Jim Moore had  
8 previously worked?

9 A. I did, yes.

10 Q. Were you aware of Inside Track seminars?

11 A. Yes, I was.

12 Q. And were you also aware of the sister company Instant  
13 Access Properties?

14 A. At that time I don't think I knew of Instant Access  
15 Properties, no.

16 Q. Did there come a time when you learned that between 2000  
17 and 2006 over 30,000 properties were sold by those companies?

18 A. I didn't know the exact figures.

19 Q. Well, you knew it --

20 A. I knew it was a very successful business, yes.

21 Q. When did you start to do Rooms To Invest?

22 A. I started that around 2008.

23 THE COURT: Is it rooms plural?

24 THE WITNESS: No, room single.

25 Q. Room To Invest?

J657MOO4

Haddow - Cross

1 A. Room To Invest, yes, single.

2 Q. You stated to the ladies and gentlemen that Jim Moore  
3 contacted you about some land that he had in Barbados; is that  
4 correct?

5 A. That's not correct. I was introduced to Jim Moore through  
6 a mutual colleague of ours called Steven Quayle.

7 Q. And when did the subject come up of the Barbados land?

8 A. In our first meeting together.

9 Q. And can you tell the ladies and gentlemen how many meetings  
10 did you have with Jim Moore about that?

11 A. I can't give you an exact number, but we did meet. We met  
12 a couple of times initially, and then he came to my office,  
13 which was -- we met actually down the street from my office,  
14 which was in a place called Old Street in a coffee shop there,  
15 and then at some stage later, maybe a few weeks, maybe a month,  
16 he came to look at my operation, and he also sent me over the  
17 plan for the property, like a mock-up of what it was going to  
18 look like and how many rooms the property looked like it was  
19 going to have.

20 Q. So, this was preconstruction.

21 A. It was all preconstruction, yes.

22 Q. And what year did you say this was? I believe you just  
23 testified on direct examination it was approximately 2009?

24 A. Yes, approximately.

25 Q. And in 2009 how many times was Jim Moore physically in your



J657MOO4

Haddow - Cross

1 presence?

2 A. How many times? Well, under ten and over five.

3 Q. So you're saying approximately a handful of times?

4 THE COURT: Between five and ten.

5 Q. Is that right?

6 A. Yes. He came to our Christmas party, that was one of them.  
7 You know, there was a few occasions, social occasions. He was  
8 known by my staff.

9 Q. And at that time did you know where Jim Moore lived?

10 A. Yes, he lived in Surrey, he told me, with no furniture.

11 Q. Now, is it accurate to say that you got at some point  
12 involved in selling African Land? Is that correct?

13 A. That's correct.

14 Q. And let me be clear, ultimately you turned down the  
15 proposal that Jim Moore had for the hotel in Barbados; isn't  
16 that correct?

17 A. I did turn that down, yes.

18 Q. And he went his way and you went your way, correct?

19 A. Not correct, no. He continued -- he asked me -- he liked  
20 the project Room To Invest as a brand and as a concept, and he  
21 suggested a partnership where he would help me restructure the  
22 product and introduce me to certain individuals and certain  
23 third parties who could sell the project.

24 Q. OK. And did you pay Mr. Moore for working?

25 A. I paid him a share of the profits, yes.

J657MOO4

Haddow - Cross

1 Q. Do you have those bank records, sir?

2 A. I don't have those bank records, no.

3 Q. Well, do you have any business records that reflect that?

4 A. Well, unfortunately this was over ten years ago and the  
5 company has gone bankrupt. I unfortunately ended up in a  
6 federal prison here, so, no, I don't have any bank statements  
7 handy at this precise moment.

8 Q. How about e-mails? We've seen lots and lots of e-mails in  
9 this case. Do you have any e-mails?

10 A. There would be e-mails present, but I haven't seen any  
11 evidence, but there were definitely e-mails, and there were  
12 many WhatsApp communications, and there were very, very --  
13 there was a huge amount of telephone calls, and no doubt you've  
14 seen the WhatsApp communications.

15 Q. At some point in time the Room To Invest project that you  
16 had ended; is that correct?

17 A. That's correct, yes.

18 Q. And what year was that?

19 A. That was -- after Jim -- after Jim left, we phased it out  
20 really, because we were focused on the African Land project.  
21 So, I would say roughly 2010.

22 Q. Now, the African Land project, in that project you also  
23 used false projections; isn't that true?

24 A. That's correct.

25 Q. You also falsely used the name of JP Morgan in some of your

J657MOO4

Haddow - Cross

1 literature; isn't that right?

2 A. That's correct.

3 Q. At some point in time you realized that you had raised  
4 approximately 16 million pounds in that venture; is that  
5 correct?

6 A. Yes.

7 Q. And isn't it true that African Land sales was also a fraud?

8 A. That's correct.

9 Q. And isn't it also true that you told Jim Moore all along  
10 that the African Land deal was a fraud?

11 A. I don't recall that conversation.

12 Q. Did you ever tell Jim Moore that the African Land deal was  
13 a fraud?

14 A. I told Jim Moore the structure of the African Land deal. I  
15 told him why it was such a good pitch to investors. I told him  
16 that it was a simple investment. But I never gave him the  
17 information in terms of the projections were a lie and the  
18 historic numbers were a lie, but I did tell him that the  
19 structure was based on Carbon Credits, and I did give him  
20 information on the overall scheme and why it was a good pitch  
21 to investors.

22 Q. Well, the African Land deal if done properly would not be a  
23 fraud, right?

24 A. Potentially if it was done properly, yes.

25 Q. And so what you're telling us now is that the information

J657MOO4

Haddow - Cross

1 you provided Jim Moore would be also commensurate with a  
2 legitimate business; isn't that true?

3 A. Not really, because behind those figures -- which Jim Moore  
4 was also privy to -- were the commissions we were paying  
5 salespeople, and the commission we were paying agents. The guy  
6 who introduced us, a guy called Steve Quayle, he knew very well  
7 that Steve Quayle was receiving 55 percent commission on those  
8 land deals. That, plus the share to me and the share to my  
9 business partner, meant there was very little left to run the  
10 business. So, it didn't take a rocket scientist to work out  
11 that with the commissions that one of his best friends was  
12 earning, and the money that I was getting, there wasn't much  
13 left to run the project.

14 Q. But the question, sir, was not whether he could figure it  
15 out. When you talked to Jim Moore about the African Land deal,  
16 you discussed the business as if it was a legitimate business;  
17 isn't that true?

18 A. That's true, yes.

19 Q. In fact, you maintained to Jim Moore that when it was  
20 investigated, that your lawyers had told you that you were  
21 going to win; isn't that true?

22 A. I did tell him that, yes.

23 Q. And isn't it a fact that you told him that in the end the  
24 FCA is going to realize that they made a mistake? Isn't that  
25 true?

J657MOO4

Haddow - Cross

1 A. No, I don't think I said it that categorically. No, I  
2 wouldn't say that, because at the end of the day I had a very,  
3 very strong feeling actually that we were going to lose. What  
4 I did say to him is that we received advice at the beginning to  
5 say that this wouldn't be a regulated business, but I don't  
6 think I speculated too much in terms of the success of the FCA  
7 or my success.

8 Q. Well, did you represent to Jim Moore at any time that you  
9 had proven to the FCA that this was not a fraud?

10 A. I don't recall that, no.

11 Q. So that never happened?

12 A. Can you repeat that question?

13 Q. Yes. I said, did you tell him at any time that you had  
14 proven to the FCA that the African Land deal that you were  
15 operating was not a fraud?

16 A. I don't think I used those words, no.

17 Q. Did you ever use anything close to those words?

18 A. I recall talking to Jim about African Land and telling him  
19 that I had problems with African Land, and obviously it was all  
20 online for him anyway for him to see.

21 By 2009, when we had seen each other, obviously we  
22 hadn't been subpoenaed, because obviously the case didn't start  
23 until 2013, so it was a little bit premature for me to be  
24 discussing African Land as a fraud at that stage. We were  
25 talking more of its potential to be sold to investors and, you

J657MOO4

Haddow - Cross

1 know, with Bar Works. We weren't talking about the -- we  
2 talked about the pitch rather than the reality, and that was  
3 the same with African Land.

4 Q. When you said it was premature at that point, but what  
5 about after 2013? Did you tell him afterwards that you had  
6 proven to the FCA that the African Land operation that you were  
7 conducting was not a fraud?

8 A. I'm not sure where you got the word I had told him I had  
9 proven. I don't remember saying that to him, no.

10 Q. Well, did you ever tell him that the African Land deal was  
11 legitimate?

12 A. He never asked, I never told him.

13 Q. Did you ever tell him ever that the FCA now realized that  
14 the African Land deal you were running was not a fraud?

15 A. Sorry. Can you repeat that?

16 Q. Did you ever tell him that the FCA -- that's the  
17 financial -- what does that stand for, by the way?

18 A. Financial Conduct Authority.

19 Q. The Financial Conduct Authority, that is the rough  
20 equivalent of the SEC in England, correct?

21 A. Correct.

22 Q. And did you ever tell him that the Financial Conduct  
23 Authority now realized that the African Land deal that you  
24 operated was not a fraud?

25 A. No, I didn't say that.

J657MOO4

Haddow - Cross

1 Q. Sir, I am showing you an exhibit that is Government Exhibit  
2 42, and this is an e-mail between yourself and Mr. Moore; is  
3 that correct?

4 A. That's correct.

5 Q. In the e-mail it says ANAKP. Do you see that, to?

6 A. Yes.

7 Q. And do you know that Anna Karina Pena was Mr. Moore's wife?

8 A. Yes, I did.

9 Q. So when you see ANAKP, that's Mr. Moore's wife's name or  
10 initials, correct?

11 A. Yes, that's correct.

12 Q. And there is a discussion between you and Mr. Moore on  
13 November 4, 2015; isn't that correct?

14 A. Yes, that's correct.

15 Q. And now in November of 2015 that would be the time that you  
16 would be in the United States with Bar Works, correct?

17 A. Yes.

18 Q. And you told us before you went to the United States to get  
19 a fresh start, correct?

20 A. Correct.

21 Q. You wrote to Mr. Moore, "It could be challenged. If they  
22 have the will."

23 And you're talking about another project, but just in  
24 general that it could be challenged. And then Mr. Moore  
25 replied, "Couldn't everything?" at which point you answered,

J657MOO4

Haddow - Cross

1 "Pretty much. They use it to close down things they think are  
2 a fraud which is what they thought African Land was but turned  
3 out it wasn't when they went to court."

4 Do you recall telling Mr. Moore that?

5 A. That's true, yes.

6 Q. Isn't it a fact, sir, that you told Mr. Moore that in court  
7 it was established that the African Land deal that you were  
8 operating was not a fraud?

9 A. That's correct.

10 Q. And just so we're clear, if you look at the subject, it  
11 says PF and FCA. That FCA stands for the Financial Conduct  
12 Authority, correct?

13 A. Correct.

14 Q. That was a complete lie, wasn't it?

15 A. What was a complete lie?

16 Q. It was never established that the African Land deal that  
17 you were operating was not a fraud.

18 A. It was never established it wasn't a fraud, no.

19 Q. In fact it was established that it was a fraud.

20 A. That's correct.

21 Q. Isn't that right?

22 A. That's correct.

23 Q. Sir, you also went to court in the African Land litigation.  
24 Isn't that true?

25 A. Yes.



J657MOO4

Haddow - Cross

1 Q. And that litigation lasted a considerable period of time;  
2 isn't that true?

3 A. That's true, yes.

4 Q. Now, was there an entity called Capital Alternatives  
5 Limited? Are you familiar with that entity?

6 A. I am, yes.

7 Q. And can you please tell the ladies and gentlemen of the  
8 jury what is that entity.

9 A. Yes, Capital Alternatives was a promotional company that I  
10 set up with one other person, and that entity was set up to  
11 promote various alternative investments, products like Land and  
12 the Carbon Credits products we looked at.

13 Q. So, the African Land has a relation to Capital  
14 Alternatives; is that correct?

15 A. A relation in that Capital Alternatives was selling that  
16 product, yes.

17 Q. And Capital Secretarial Limited, is that another entity  
18 that you are familiar with?

19 A. Yes, it is, yes.

20 Q. And would that also have been involved in raising funds?

21 A. Yes, that was also involved in raising funds. Not raising  
22 funds. It was actually involved in the receiving the funds.  
23 It acted as an escrow agent, for want of a better word.

24 Q. And would it be accurate to say that there were numerous  
25 dates in July of 2017, August of 2017 and a few in September

J657MOO4

Haddow - Cross

1 and October of 17 that were held that related to this  
2 litigation?

3 A. That's correct, yes.

4 Q. And you were named as a defendant in that litigation; isn't  
5 that correct?

6 A. Correct.

7 Q. And, sir, during this litigation did you have an  
8 opportunity to testify?

9 A. I was unfortunately arrested at that time, so I couldn't be  
10 there to testify.

11 Q. When were you arrested, sir?

12 A. I was arrested on the 26th of July, 2017.

13 Q. And had you attended any of the earlier hearing dates?

14 A. The hearing started a week or so -- it had been on for a  
15 week or two before I was arrested, and unfortunately I was  
16 marooned in Morocco, so I couldn't be there for the testimony.

17 Q. And were your lawyers there to represent you?

18 A. I had no lawyers. I was going to be personally  
19 representing myself.

20 Q. Ultimately did the High Court of Justice Chancery Division  
21 render its decision with regard to that litigation?

22 A. Yes, it did.

23 Q. I am showing you what is in evidence as Defendant's Exhibit  
24 5083, and I'm going to pan out a little bit so we can see more  
25 of it. Do you recognize this as being the cover sheet of the

J657MOO4

Haddow - Cross

1 approved judgment, sir?

2 A. Yes, that looks like it.

3 Q. And, sir, in this judgment -- it's quite lengthy, you  
4 agree, fair to say?

5 A. Yes.

6 Q. It starts at 4988, and it ends several hundred pages later;  
7 isn't that true?

8 A. That's true, yes.

9 Q. And isn't it a fact that the judge painstakingly goes  
10 through all of the elements that were raised during the  
11 litigation in this judgment? Isn't that true?

12 A. That's true.

13 Q. And isn't it also true that the judge found that you were  
14 guilty of operating a scheme, a collective investment scheme?  
15 Isn't that true?

16 A. That's correct.

17 Q. And isn't it also true that the court found that in  
18 operating that collective investment scheme you had made  
19 numerous false representations to the investors? Isn't that  
20 true?

21 A. That's correct.

22 Q. Isn't it also true that you were found to have used names  
23 of people without their permission, or names of people who  
24 simply did not exist; isn't that true?

25 A. That's correct.

J657MOO4

Haddow - Cross

1 Q. Now, you told us that you had also committed basically a  
2 fraud on the FCA because you hid bank statements from the FCA.  
3 Isn't that true?

4 A. That's correct.

5 Q. And you lied about subleases to the FCA; isn't that true?

6 A. That's correct.

7 Q. Now, the fact that the FCA was a law enforcement agency did  
8 not stop you from telling lies to the FCA; isn't that correct?

9 A. That is correct.

10 Q. And the African Land deal and the Carbon Credits resulted  
11 in 16.9 million pounds of investors money being lost; isn't  
12 that true?

13 A. That's true.

14 Q. And that would be because of the exchange rate that would  
15 be pretty close to \$20 million United States dollars, isn't  
16 that right?

17 A. That's right.

18 Q. And, sir, the investors lost almost 100 percent of it,  
19 correct?

20 A. Correct.

21 Q. However, you took a portion of it; isn't that right?

22 A. Correct.

23 Q. And you took a portion of that and you spent it; isn't that  
24 right?

25 A. Correct.

J657MOO4

Haddow - Cross

1 Q. So, that brought you to October of 2014, when you told us  
2 that you went to the United States for a fresh start, right?

3 A. That's right.

4 Q. So, one of the things that you did for your business was  
5 you formed In Crowd Equity in or about December 3, 2014; isn't  
6 that right?

7 A. Yes, that would be about right.

8 Q. Do you have a concern about the dates?

9 A. That's probably the date we formed the company, yes.

10 Q. OK. I am showing you what is in evidence as Defendant's  
11 Exhibit 5005. Do you see the date, sir, of December 3, 2014?

12 A. Yes.

13 Q. And let's pan out a little bit so we can see more of what  
14 it is. It says that this is true and correct copy of the  
15 certificate of incorporation of In Crowd Equity, correct?

16 A. Correct.

17 Q. And it says that Renwick Haddow residing in New York or  
18 having a mailing address in New York is the incorporator,  
19 correct?

20 A. Correct.

21 Q. And then you have a DocuSign signature; is that right?

22 A. That's correct.

23 Q. And so you came to get a fresh start, you formed this  
24 company, and then you decided that you were going to sell  
25 investments, right?

J657MOO4

Haddow - Cross

1 A. That's correct.

2 Q. And one of the things that you did was that you ran want  
3 ads for employment of sales staff on Craig's List, right?

4 A. Correct.

5 Q. And then what you started to sell was Bitcoin Store; is  
6 that right?

7 A. Correct.

8 Q. Now, sir, Bitcoin Store had no Bitcoins, right?

9 A. Correct, yes.

10 Q. A small technicality when you are selling to investors of  
11 Bitcoin Store?

12 A. A big technicality, yes.

13 Q. So Bitcoin Store was just a complete fraud?

14 A. Yes.

15 Q. And you knew it.

16 A. I did.

17 Q. And In Crowd Equity was selling it.

18 A. Correct.

19 Q. Isn't that right?

20 A. That's correct.

21 Q. And you were lying to investors again, right?

22 A. That's correct.

23 Q. So, the question is: In your mind, what kind of fresh  
24 start was this? Was it a fresh start that you give up your  
25 problems in England, come to the United States and be a

J657MOO4

Haddow - Cross

1 law-abiding citizen? Was that the idea?

2 A. It wasn't a very good fresh start.

3 Q. Or was it simply let's find someplace where I can fleece  
4 more investors? Would that be fair to say?

5 A. Possibly, yes.

6 Q. But you will go to great lengths to have a fraud take  
7 place; isn't that true?

8 A. What do you mean a fraud take place?

9 Q. Well, for example, if you're trying to get money from  
10 investors, you are willing to use names of people who don't  
11 exist, correct?

12 A. Correct.

13 Q. You are willing to use names of friends who don't even know  
14 that you're using their name; isn't that correct?

15 A. That's correct.

16 Q. I'm sorry, I didn't hear you.

17 A. That's correct, yes.

18 Q. So, when you did this In Crowd Equity/Bitcoin transaction,  
19 you used the name Gordon Phillips; isn't that right?

20 A. That's correct.

21 Q. Now, Jim Moore had nothing to do with this; isn't that  
22 true?

23 A. That's true, yes.

24 Q. In fact, at this early stage in 2014 you hadn't physically  
25 seen Jim Moore in a while; isn't that right?

J657MOO4

Haddow - Cross

1 A. That's true, yes.

2 Q. And you used the name Joseph Bilkhorn. Is that a real  
3 person?

4 A. In relation to what?

5 Q. To the Bitcoin transaction and the In Crowd Equity raise of  
6 funds through or for Bitcoin.

7 A. Can you show me something on that? I don't recall that  
8 now.

9 Q. How about -- no.

10 The answer is, yes, I can look for it. The small  
11 problem is that the judgment is a few hundred pages long.

12 THE COURT: Maybe we can come back to it.

13 MR. GARVIN: Thank you, your Honor.

14 Q. Sir, I do have something else that might refresh your  
15 memory.

16 May I show the witness a document?

17 THE COURT: Sure.

18 I think he might want to take a look.

19 MR. GARVIN: Yes, definitely.

20 Q. Sir, has that refreshed your memory?

21 A. It has refreshed my memory, yes. Thank you.

22 Q. So, we were talking about Joseph Bilkhorn, and that was a  
23 name that did not exist -- or the name existed but the person  
24 didn't, correct?

25 A. I think the name and the person didn't exist.



J657MOO4

Haddow - Cross

1 Q. And David Armstrong?

2 A. The name and the person didn't exist there either.

3 Q. And what about Neil Soloway?

4 A. The person did exist; the name didn't exist.

5 Q. OK.

6 A. Well, what I mean by that is there is such a person as Neil  
7 Soloway, but actually he wasn't involved in the company.

8 Q. OK, so he didn't know.

9 A. He didn't know.

10 Q. What about Peter McKay?

11 A. No, another made-up name.

12 Q. What about David Burke?

13 A. Person existed, but he didn't know I was using his name.

14 Q. So, in your mind what is worse? Using a person who doesn't  
15 exist at all? Or using somebody's name without their  
16 permission?

17 MR. BELL: Objection.

18 THE COURT: I'll allow it, if you have an answer.

19 Q. Can you answer that?

20 A. Sorry, could you just repeat that again?

21 Q. Yes. Sometimes you use the name of a person who didn't  
22 exist at all; isn't that true?

23 A. That's correct, yes.

24 Q. Sometimes you use the name of a person who existed but you  
25 didn't tell them, right?

J657MOO4

Haddow - Cross

1 A. Correct.

2 Q. And you're using that person's name to obtain money through  
3 misrepresentations; isn't that right?

4 A. That's correct. That's correct.

5 Q. I'm going to take a moment, sir, to show you Defendant's  
6 Exhibit 5009, which is basically an offering memoranda to raise  
7 funds; is that correct?

8 A. That's correct.

9 Q. And this offering memoranda has misrepresentations in it,  
10 correct?

11 A. Correct.

12 Q. And you knew that sales agents would be relying upon the  
13 representations in this offering circular; isn't that correct?

14 A. That's correct.

15 Q. And you knew that the sales agents were going to repeat  
16 what they read in these materials; isn't that true?

17 A. Correct.

18 Q. And that's common practice in the industry. When you send  
19 out offering materials you know that there are going to be  
20 sales agents that rely upon them; isn't that right?

21 A. Correct.

22 Q. You also know that the sale agents are going to then call  
23 the investor, and the investor is going to rely upon it; isn't  
24 that true?

25 A. Correct.

J657MOO4

Haddow - Cross

1 Q. Despite that, you put in this circular that Joseph Bilkhorn  
2 was the chief operating officer and had vast experience, right?

3 A. Correct.

4 Q. And you just told the ladies and gentlemen of the jury that  
5 Joseph Bilkhorn didn't exist, right?

6 A. That's correct.

7 Q. And we have a finance director whose name is David  
8 Armstrong, who holds the Chartered Insurance Institute's  
9 advanced financial planning certificate. Do you see that, sir?

10 A. I can see that, yes.

11 Q. Again, another person who did not exist, right? Is that  
12 right?

13 A. Correct.

14 Q. Sir, but when it came to raising funds for Bitcoin and for  
15 having people run In Crowd Equity, you even went so far as to  
16 hire an actor to play the role of Gordon Phillips, the CEO of  
17 In Crowd Equity; isn't that right?

18 A. That's correct.

19 Q. Now, let's take a step back for one second, because we're  
20 using a lot of abbreviations that people who aren't in the  
21 finance industry might not use every day. So, what is a CEO?

22 A. Chief executive officer.

23 Q. Now, a chief executive officer would be in the hierarchy of  
24 most entities the person at the top who would run the  
25 day-to-day operations of the business; is that correct?

J657MOO4

Haddow - Cross

1 A. That's correct.

2 Q. And so some companies have a president; they don't have a  
3 chief executive officer, correct?

4 A. Right.

5 Q. But if you have a chief executive officer, that person is  
6 generally regarded to be at the top of the pyramid of the  
7 hierarchy, right?

8 A. Correct.

9 Q. So, in this case Gordon Phillips, if he was listed as the  
10 chief executive officer, he would be at the top, right?

11 A. Right.

12 Q. Now, that doesn't mean that Gordon Phillips is an owner,  
13 correct?

14 A. Correct.

15 Q. The owner is something different, right?

16 A. Right.

17 Q. You can be an owner and not be involved in the official  
18 operations of the company; isn't that correct?

19 A. That's correct.

20 Q. In fact, often big companies, if the owner has a problem,  
21 he steps down as an officer but he remains an owner of the  
22 company; isn't that true?

23 A. Yes, that can happen, yes.

24 Q. And in fact I think that somebody said the owner of Uber  
25 recently stepped down. Are you aware of that?

J657MOO4

Haddow - Cross

1 A. Yes, I am, yes.

2 Q. But he remains the owner of Uber, right?

3 A. Well, he's not the owner, but he has a number of shares,  
4 yes.

5 Q. OK. And so the fact that you were the owner of Bar Works  
6 does not make Bar Works an illegal company; isn't that true?

7 A. No.

8 Q. The truth is that you can be the owner, but if you're going  
9 to send out private placement memorandums and offering  
10 materials, you have to be honest to the investor as to who is  
11 in charge of running the company; isn't that right?

12 A. I think you need to be honest about who is running the  
13 company and who is the owner, yes.

14 Q. There is no requirement in the private placement memorandum  
15 to list who the owner is; isn't that true?

16 A. I don't know that. All I know is it's a material fact that  
17 investors would probably want to know.

18 Q. So, let's go back to Gordon Phillips. You hired off  
19 Craig's List an actor to pretend that he was Gordon Phillips,  
20 the CEO of In Crowd Equity; isn't that true?

21 A. No, you're getting slightly mixed up. Gordon Phillips  
22 relates to the Bitcoin Store.

23 Q. I stand corrected, thank you. So let me say that. Bitcoin  
24 Store's CEO was Gordon Phillips, correct?

25 A. Correct.

J657MOO4

Haddow - Cross

1 Q. And you knew that there was no such person as Gordon  
2 Phillips.

3 A. I did, yes.

4 Q. And so you hired an actor from Craig's List to play the  
5 part of Gordon Phillips the CEO; is that right?

6 A. Correct.

7 Q. And then you wrote a script for the actor to follow,  
8 correct?

9 A. Correct.

10 Q. And then you filmed that; isn't that correct?

11 A. Correct.

12 Q. Pardon me?

13 A. Correct.

14 Q. And then you disseminated that to the public; isn't that  
15 correct?

16 A. Correct.

17 Q. So, this was just a massive fraud; isn't that correct?

18 A. That's correct.

19 Q. Now, you said that at some point in time you got a -- or  
20 received a call from Jim Moore in the summer of 2015; is that  
21 right?

22 A. Yes, around about that time.

23 Q. And in the summer of 2015 Jim Moore did not realize that  
24 you were dealing with Bar Works when he made that first call.  
25 He was looking to see if you knew sales agents for a land deal

J657MOO4

Haddow - Cross

1 that he had called Monterey in Spain; isn't that right?

2 A. Not entirely, no. He knew nothing about Bar Works at that  
3 time, that's correct. He knew that I was running In Crowd  
4 Equity, and at that time he wasn't interested in my ability to  
5 get sales agents, because I didn't really have a huge ability  
6 for that. He was more interested in my floor, the boiler room,  
7 selling his project.

8 Q. So he was interested in whether or not you had sales agents  
9 to sell his project.

10 A. He was interested in whether my sales brokers working for  
11 In Crowd Equity were interested in selling his project, yes.

12 Q. And Jim Moore had never been to In Crowd Equity; isn't that  
13 true?

14 A. By that point, no, he hadn't.

15 Q. So Jim Moore had no idea what the physical layout looked  
16 like because he had never been there; isn't that true?

17 A. He didn't know it was on the third floor, no, but he knew  
18 the operation I was running, yes.

19 Q. And to be clear, Jim Moore had nothing to do with the  
20 operation of In Crowd Equity prior to the time of making that  
21 telephone call; isn't that right?

22 A. That's correct.

23 Q. I'm showing you now what is Defendant's Exhibit 5014,  
24 Starting on page 2. We were just talking about Monterey, the  
25 Monterey Wellness and Spa. When you talked to Jim, when he

J657MOO4

Haddow - Cross

1 mentioned Monterey, did he talk to you about Monterey Wellness  
2 and Spa?

3 A. He didn't -- all I remember is he has always told me about  
4 his land he has in Spain. At that point he never really gave  
5 me the name of the project.

6 Q. OK. Well, did you receive these materials?

7 A. Yes, I did.

8 Q. OK. And at some point you had a chance to look through the  
9 materials; is that correct?

10 A. Yes, briefly.

11 Q. And the bottom line was that you were not interested in  
12 Monterey as a project; correct?

13 A. That's correct.

14 Q. And now you told Jim that you were keen to do the Bar Works  
15 business; is that correct?

16 A. Do you want to rephrase that?

17 Q. Yes. You turned down Jim's Monterey project, but you  
18 mentioned to Jim your Bar Works project.

19 A. That's correct.

20 Q. And Jim was excited to hear about your Bar Works project;  
21 isn't that right?

22 A. That's correct.

23 Q. And isn't it a fact that after you told him about it he  
24 went and researched it a little bit; isn't that right?

25 A. Probably.



J657MOO4

Haddow - Cross

1 Q. Well, he wrote you an e-mail saying that he had done some  
2 research and had looked up We Works; isn't that right?

3 A. That sounds correct, yes.

4 Q. And when he saw We Works and he saw the growth of We Works,  
5 he told you he'd like to be a participant in this project,  
6 right?

7 A. Well, he actually told me that when we first discussed it,  
8 he was very interested. And I was the one who told him about  
9 the We Work and how We Work was so successful. So, yes, he did  
10 further research afterwards.

11 Q. OK. And so let's be clear for the ladies and gentlemen of  
12 the jury. At this point in time you are presenting this as a  
13 legitimate business; isn't that right?

14 A. That's correct.

15 Q. At this point in time you're not saying to Jim Moore,  
16 listen, let's go do a huge fraud. Isn't that right?

17 A. No.

18 Q. So, Jim Moore became excited about it, and isn't it true  
19 that Jim Moore told you that he did not want to be just a mere  
20 sales agent, right?

21 A. That's correct.

22 Q. He told you that, look, I can do a lot more than just round  
23 up sales agents; I want to be an equity partner. Isn't that  
24 right?

25 A. Business partner I think was his phrase.

J653MO05

Haddow - Cross

1 Q. And isn't it true that you did reach an agreement in  
2 principle with Jim Moore that he could be a part owner; isn't  
3 that right?

4 A. Yes, without the word "principle." We shook hands on a  
5 deal.

6 Q. But let's be clear. That equity, Jim Moore never received  
7 it; isn't that true?

8 A. That's correct, yes.

9 Q. And you charged Jim Moore for that equity; isn't that true?

10 A. That's correct.

11 Q. But, in the end, you never gave it to him, right?

12 A. That's correct.

13 Q. And so, at some point in time, Jim Moore basically started  
14 pleading with you to sit down and put something in writing;  
15 isn't that true?

16 A. He -- he did send me quite a few e-mails asking me to send  
17 him paperwork over for the equity, yes. The pleading, it was  
18 separate. The pleading was to be paid on his invoices.

19 Q. And at the end, you didn't pay on the invoices, correct?

20 A. I did pay on invoices. I didn't pay on the last.

21 Q. That's why I said the end.

22 A. That's correct.

23 Q. But for the ones you did pay on, you reduced as payment for  
24 the equity, correct?

25 A. Yes, and other deductions, yes.

J653MO05

Haddow - Cross

1 Q. And that you never gave to Mr. Moore?

2 A. Never gave --

3 Q. You never gave any stocks or anything in writing that he  
4 had any of the equity.

5 A. We had an agreement, we had agreed in writing. What he  
6 didn't have was the actual shares certificate.

7 Q. And you never issued it?

8 A. I never issued a shares certificate.

9 Q. Now, you told the ladies and gentlemen of the jury that one  
10 of the first telephone calls that you had with Jim, he asked  
11 you who Jonathan Black was, and you told him it was you?

12 A. Hmm.

13 Q. Is that correct?

14 A. That's correct.

15 Q. And that would have been early on, some time in August or  
16 September, but definitely no later than October of 2015.

17 Correct?

18 A. Correct.

19 Q. And it's your testimony here today that you did not tell  
20 him that Jonathan Black was somebody that you recruited because  
21 you realized that, with your history, you had to stay out of  
22 the limelight or the project would never be a success. You  
23 never told him that, correct?

24 A. Repeat that first part of the question?

25 Q. Yes. You did not tell him that you recruited Jonathan

J653MO05

Haddow - Cross

1 Black, correct?

2 A. I did not tell him that he was a real person, yes.

3 Q. And you did not tell him that the reason why you recruited  
4 Jonathan Black was because you realized, with your reputation,  
5 if the company was going to be a success, you could not be an  
6 officer. You never told him that, right?

7 A. I explained to Jim Moore that the reason why I was using  
8 the name Jonathan Black was for the reasons you just mentioned.

9 Q. Sir, at that time, you had never met the owners of United  
10 Property Group, correct?

11 A. Correct.

12 Q. You had never met James Robinson, right?

13 A. Correct.

14 Q. You had never met David Honeyman, correct?

15 A. Correct.

16 Q. And you had never met the director of United Property  
17 Group, David Kennedy; isn't that correct?

18 A. Correct.

19 Q. In addition, at that time, you had never met Neil Storey,  
20 the former United Kingdom diplomat; isn't that correct?

21 A. That's correct.

22 Q. So, Jim Moore, however, told you that the key to get an  
23 agreement from United Property Group was to go through Neil  
24 Storey. Isn't that true?

25 A. No. Not correct.

J653MO05

Haddow - Cross

1 Q. Do you remember meeting with the ladies and gentlemen from  
2 the government in this case?

3 A. Yes.

4 Q. And do you remember discussing, as you've described it, the  
5 evidence?

6 A. Yes. Yes.

7 Q. With them?

8 And isn't it a fact that you told them at one of your  
9 meetings that Jim Moore told you that it was important to go  
10 through Neil Storey to get United Property Group's agreement?

11 A. Possibly, but that wasn't my recollection. That isn't my  
12 recollection. I think there is a bigger picture here. That  
13 was only a small part of the whole equation.

14 Q. I understand there might be other parts, but I'm focusing  
15 on this part at this moment.

16 Isn't it true, sir, that Jim Moore told you that it  
17 was important to have Neil Storey on board? Isn't it true?

18 A. Yes, without United Property Group. It was important to  
19 have Neil Storey on board. Hence the reason why I met up with  
20 him for an hour to explain my background. But it wasn't  
21 imperative, and I don't remember Jim Moore saying it was  
22 imperative that he was involved to get UPG on board, because  
23 Jim was the one with the 25 percent equity in the company, in  
24 UPG.

25 Q. Did Jim Moore tell you that the person you needed to

J653MO05

Haddow - Cross

1 convince regarding Bar Works was Neil Storey? Did he tell you  
2 that?

3 A. Not in those words. He said I want Neil Storey on board.  
4 He would be very important, I'm not paying -- you're not paying  
5 for him, I am. Can you meet up with him and give him your, you  
6 know, background, just blurt it all out, say your whole  
7 history, and you know, and it would be a good thing if he came  
8 on board.

9 Q. All right, sir. Did there come a time when an agreement in  
10 principle was reached with United Properties Group?

11 A. Yes.

12 Q. And would it also be fair to say that that occurred in or  
13 about the middle of October of 2015?

14 A. Yes, that's about right.

15 Q. And isn't it also fair to say that United Property Group  
16 then took the package of offering materials that had been  
17 provided by Bar Works, and started to call investors? Isn't  
18 that true?

19 A. That's correct.

20 Q. Now, isn't it also true that in the very inception of this,  
21 you told Jim Moore that he could tell United Property Group  
22 that they would have an exclusive?

23 A. That's correct.

24 Q. And isn't it also true that that was a lie, because you had  
25 already given an exclusive to someone else?

J653MO05

Haddow - Cross

1 A. That's correct.

2 Q. So, right off the gates, within the first week or two,  
3 United Property Group discovered that you had given an  
4 exclusive to someone else. Isn't that true?

5 A. That's correct.

6 Q. And isn't it true that they wrote a letter, an e-mail to  
7 Jim Moore, complaining that an independent sales agent had  
8 called them, and used your name, Renwick Haddow, and said I'm  
9 the one who has the exclusive. Isn't that right?

10 A. That's correct.

11 Q. So, the point here is, Mr. Haddow, it didn't matter to you  
12 if you had to lie to United Property Group to get them to bring  
13 in investors. Isn't that true?

14 A. That's correct.

15 Q. And it honestly didn't matter to you if you had to lie to  
16 Neil Storey to get your project moving forward and get  
17 investors to invest in it. Isn't that true?

18 A. That's correct.

19 Q. And it didn't matter to you if you had to lie to Jim Moore,  
20 if that's what it took to get your project going and to get  
21 investor money. Isn't that true?

22 A. That's, yeah, that's true.

23 Q. In fact, you knew that Sam Aura started, as I believe you  
24 used the word "pilferaging," but he started to steal UPG's  
25 investors; isn't that true?

J653MO05

Haddow - Cross

1 A. He started to -- not investors. He started to poach some  
2 of the agents, yes.

3 Q. The agents that -- UPG was supposed to be the master agent.  
4 Correct?

5 A. That was the agreement, we agreed in principle, yes.

6 Q. But you know you had given master agent status to other  
7 people, correct?

8 A. Yes, that's true.

9 Q. So that was a lie, too. And you knew that the other  
10 agents, for example, Sam Aura, was stealing agents from UPG,  
11 correct?

12 A. Correct.

13 Q. To be honest about it, as of October, you hadn't met James  
14 Robinson, right?

15 A. Not at that point, no.

16 Q. The owner of UPG. You hadn't met him?

17 A. Not at that point.

18 Q. You hadn't met his partner, David Honeyman; isn't that  
19 true?

20 A. That's correct.

21 Q. And at that point, you hadn't yet met Neil Storey; isn't  
22 that true?

23 A. That's correct.

24 Q. So they didn't mean anything to you at that point?

25 A. What do you mean they didn't mean anything to me?



J653MO05

Haddow - Cross

1 Q. In plain words, you didn't feel that you owed these people  
2 anything. It was simply a business opportunity and you needed  
3 to get your company moving. Isn't that right?

4 MR. VAINBERG: Objection as to form.

5 THE COURT: Well, if you can understand the question,  
6 you can answer it.

7 THE WITNESS: Well I don't really understand the  
8 question. Maybe he can --

9 THE COURT: Rephrase it.

10 MR. GARVIN: Yes, sir.

11 Q. You had no long history with these people, so you had no --  
12 well, you had no long history with these people, right?

13 A. Correct.

14 Q. Mr. Haddow, what was motivating you was an opportunity to  
15 get more money for yourself; isn't that true?

16 A. Correct.

17 Q. And you have accumulated a lot of assets with investor  
18 money; isn't that true?

19 A. Correct.

20 Q. For example, you have a boat that's in Miami; isn't that  
21 true?

22 A. It was in Miami. I'm not sure where it is now, but yes.

23 Q. Well, that boat is worth almost \$2 million; isn't that  
24 right?

25 A. Correct.

J653MO05

Haddow - Cross

1 Q. I'm showing you what's in evidence as 5010. Do you  
2 recognize this document, sir, as the buying closing statement  
3 from Denison Yacht Sales?

4 A. Yes.

5 Q. In Fort Lauderdale, Florida?

6 A. Yes.

7 Q. Do you see that this is for a yacht? Is that true?

8 A. That's true.

9 Q. And also, was there a slip involved in this transaction?

10 A. Yes, there was.

11 Q. And what was the total price of the yacht and the slip?

12 A. From the looks of this, it looks like two and a half  
13 million dollars.

14 Q. Is that consistent with your recollection?

15 A. Yes, I think so.

16 Q. Sir, you paid for that vessel; is that correct?

17 A. That's correct.

18 Q. A majority of the money that was used to pay for that  
19 vessel was investor money; isn't that correct?

20 A. That's correct.

21 Q. You had previously told us that you have a house in  
22 Morocco, correct?

23 A. Correct.

24 Q. And that house is worth three and a half million dollars,  
25 isn't it?

J653MO05

Haddow - Cross

1 A. Correct.

2 Q. And again, that house was purchased mainly with investor  
3 money; isn't that right?

4 A. Correct.

5 Q. You have an apartment in Sandypoint in the Bahamas; isn't  
6 that right?

7 A. Correct.

8 Q. That's worth approximately a million dollars; isn't that  
9 true?

10 A. Correct.

11 Q. That was acquired by you with investor money, isn't it?

12 A. It was, yes.

13 Q. And you also have a boat parked -- not the same boat, a  
14 different boat -- parked in the Bahamas, or at least you did;  
15 isn't that true?

16 A. That's correct.

17 Q. And that was worth \$250,000; isn't that right?

18 A. That's correct.

19 Q. Again, investor money; isn't that true?

20 A. Correct.

21 Q. You have a house in the United Kingdom on Church Road;  
22 isn't that true?

23 A. Yes, correct.

24 Q. And that house is valued at approximately \$1,300,000; isn't  
25 that true?

J653MO05

Haddow - Cross

1 A. Yes, correct.

2 Q. Again, that house was acquired mainly with investor money;  
3 isn't that right?

4 A. Yes, correct.

5 Q. You have an Aston Martin car. Isn't that true?

6 A. Yes.

7 Q. Approximately \$150,000; isn't that right?

8 A. That's correct.

9 Q. Again, investor money.

10 Sir, in an attempt to save some time, there's Bahamas  
11 bank accounts with approximately 150,000, various other bank  
12 accounts with approximately 200,000, a trust worth 600,000, San  
13 Francisco property that's worth 1.5 million net of mortgages,  
14 house in Ecuador worth 140,000, Istanbul commercial property  
15 worth 1.5 million, another house in trust worth 750,000, a home  
16 in London, 13 Brook Mews worth approximately \$2 million.

17 Is that all true? You acquired all those assets at  
18 some point in time prior to this case?

19 A. All except the property in Brook Mews North.

20 Q. Would it be fair to say, sir, that when you add up all of  
21 this, except for the property in Brook Mews, you have spent  
22 over \$5 million, well over \$5 million of investors' money on  
23 assets for yourself; isn't that true?

24 A. That's true, yes.

25 Q. So all of this, all the lies, all the deception, has been

J653MO05

Haddow - Cross

1 for money. Isn't that right?

2 A. That's correct.

3 Q. And now, you have sat there knowing that your testimony in  
4 this case may be the difference between getting a 5K1 and not.  
5 Isn't that true?

6 A. Can you rephrase that?

7 Q. Yes. You are testifying here today hoping that you will  
8 get a 5K1 reduction. Isn't that true?

9 A. I'm hoping for a 5K1 letter, yes.

10 Q. You've told us that your cooperation agreement requires you  
11 to tell the truth, and you've also told us that there were only  
12 two people on that telephone call in the summer of 2015: You  
13 and Jim Moore. Correct?

14 A. Correct.

15 Q. And you know that Jim Moore has pled not guilty in this  
16 case, correct?

17 A. Correct.

18 Q. Which means Jim Moore denies what you said, correct?

19 A. Correct.

20 MR. GARVIN: Your Honor, I've reached the part where I  
21 need to reorganize to save time. May I ask if this would be an  
22 appropriate time to take a break?

23 THE COURT: Sure, we'll take a short break.

24 (Recess)

25 (In open court; jury present)

J653MO05

Haddow - Cross

1 THE COURT: We'll continue with Mr. Garvin's  
2 cross-examination.

3 THE DEPUTY CLERK: Sir, again I'd like to remind you  
4 you're still under oath.

5 THE WITNESS: Okay, thank you.

6 BY MR. GARVIN:

7 Q. Sir, when you were testifying on direct examination, you  
8 had indicated that UPG and Jim Moore would occasionally send  
9 letters to you that they wanted to come back on Bar Works  
10 stationery. Do you recall that?

11 A. I do, yes.

12 Q. If I understood your testimony, I believe that you  
13 indicated that when they sent those letters, they knew that  
14 Jonathan Black did not exist. Is that correct?

15 A. They did know, yes.

16 Q. So, really what is happening here then, is when they're  
17 sending a letter asking for Jonathan Black to sign it, they  
18 know that the letter could not possibly have been signed by  
19 Jonathan Black, right?

20 A. Correct.

21 Q. When I say "they," I'm talking specifically about United  
22 Properties Group and Jim Moore, correct?

23 A. Correct.

24 Q. And so, one of the documents that I believe you discussed  
25 is a Government's Exhibit, Exhibit 69 and this is -- okay.

J653MO05

Haddow - Cross

1 This one is from David Honeyman. Do you see that?

2 A. Yes.

3 Q. And David Honeyman is one of the owners of UPG, correct?

4 A. Yeah, I think he's involved in UPG, yes.

5 Q. And they have a request from somebody called Asset Folio.

6 Do you see that?

7 A. Yes.

8 Q. And it says "Hi Jim, I know this is a pain in the butt,  
9 however just picking up on our e-mail exchange from last week,  
10 can you please ask Jonathan to cut and paste the following text  
11 on to an official Bar Works letterhead."

12 This is one of those letters, right?

13 A. Correct.

14 Q. And when I say "one of those letters," it is one of those  
15 letters where they're asking for a letter from Jonathan Black,  
16 but they're telling you, or suggesting to you what the language  
17 should be. Correct?

18 A. Correct.

19 Q. In this case, it's "To whom it may concern: I'm happy to  
20 confirm that Asset Folio" at an address in Spain, "are  
21 authorized agents of Bar Works" and listing the address here in  
22 New York.

23 But, at the bottom of the letter, they suggest that it  
24 be signed by Jonathan Black, the chief executive officer. And  
25 this is an example of one of those letters that you were

J653MO05

Haddow - Cross

1 referring to earlier, correct?

2 A. Correct.

3 MR. GARVIN: I'm sorry, your Honor. My electronics  
4 don't want to react and I don't want to waste time.

5 MR. BELL: Can we put them up for you?

6 THE COURT: Sure.

7 MR. BELL: Do you want one and then the other?

8 MR. GARVIN: Just bad luck. I'll try to power forward  
9 if I can get it back over to --

10 I apologize. Do you have a hard copy of 70 and 64?

11 (Pause)

12 Q. So, I want to talk about the first meeting with Jim was in  
13 October of 2015. That's the first time he came to see the  
14 physical Bar Works, correct?

15 A. Correct.

16 Q. And then you told us that at some point in time in or about  
17 November, there was a meeting in which UPG, David Robinson,  
18 came; is that correct?

19 A. That's correct.

20 Q. And in addition to David Robinson coming, you also had his  
21 partner, David Honeyman, correct?

22 THE COURT: David --

23 MR. GARVIN: Honeyman.

24 A. Incorrect, no. You mean David Kennedy.

25 Q. David Kennedy was there, not David Honeyman?



J653MO05

Haddow - Cross

1 A. Not David Honeyman.

2 Q. Okay. And Neil Storey was also at that meeting; isn't that  
3 true?

4 A. Correct, yes.

5 Q. I'm showing you what is Government's Exhibit 51, and this  
6 is an e-mail, and you see it's from Jim Moore, correct?

7 A. Correct.

8 Q. And also on the e-mail is Neil Storey, right?

9 A. Yes.

10 Q. James Robinson?

11 A. Yes.

12 Q. And as you said, David Kennedy?

13 A. Yes.

14 Q. And yourself?

15 A. Correct.

16 Q. Right?

17 A. Correct.

18 Q. And it's talking about that the meeting will be scheduled  
19 for November 18. You see that?

20 A. Yes, it does say that.

21 Q. Now, you stated that during that meeting, not much happened  
22 on the first day. Is that true?

23 A. Well, in terms of they looked at the location, and we  
24 discussed -- we discussed the project. So the "not much  
25 happened" is a bit relative. But nothing significant in

J653MO05

Haddow - Cross

1 terms -- that was the first time I met them, so that was  
2 reasonably significant. It was the first time they saw the  
3 property, that was reasonably significant. The first time they  
4 met my wife, Zoia Haddow, that was significant.

5 So there was a few important things that happened at  
6 that first meeting, yes.

7 Q. After that meeting took place, they wrote letters to you  
8 thanking you for your hospitality; isn't that true?

9 A. At the end of the -- at the end of the --

10 Q. -- trip.

11 A. End of the trip, yes.

12 Q. You testified that the next day, you were at dinner when  
13 you told them that there was no Jonathan Black. Is that right?

14 A. Yeah, I think you are getting a little bit mixed up with  
15 the time.

16 So this was the last meeting I had with them at drinks  
17 in this restaurant called Tao where I didn't tell them there  
18 was no Jonathan Black. They already knew there was no Jonathan  
19 Black. I was discussing with them what we called the e-mail  
20 etiquette in terms of making sure that e-mails didn't go  
21 astray, making sure that people didn't send e-mails to me,  
22 making sure that we treated Jonathan Black as a real person.  
23 So there was no question of talking about me announcing that  
24 Jonathan wasn't a real person, because it was well understood  
25 before that meeting.

J653MO05

Haddow - Cross

1 Q. Sir, I think we've gotten our days mixed up, and I  
2 apologize, I may have contributed to this.

3 A. That's okay.

4 Q. Let me see if I can take us back a little. There was a  
5 meeting that they came to in November, which was the very first  
6 time that they were ever in New York for Bar Works. Isn't that  
7 true?

8 A. That's correct.

9 Q. And at the meeting, very first time that they were at Bar  
10 Works, you went to dinner with them on the first day. Isn't  
11 that true?

12 A. Correct.

13 Q. And then after you went to dinner with them on the first  
14 day, there was some discussions about Bar Works, but an  
15 agreement that you would meet the next day. Correct?

16 A. Correct.

17 Q. And so, those dates would be, as we just saw, consistent  
18 with approximately November 19 or November 20. Correct?

19 A. Correct.

20 Q. Now, you stated on direct examination that the location was  
21 open as of November 19, so you -- they had never been there  
22 before, you showed them the location. Correct?

23 A. Correct.

24 Q. And then you told us that you were having dinner with them,  
25 and this is not the meeting at Tao. And correct me if it is

J653MO05

Haddow - Cross

1 the meeting at Tao. But that you were having dinner with them,  
2 and that's when you told James Robinson and Mr. Kennedy that  
3 Jonathan Black did not exist. Is that right?

4 A. No, that's incorrect. You're talking about the Bryant Park  
5 dinner, which was the day they arrived. That subject didn't  
6 really come up at all in that meeting.

7 Q. Okay. How about the next day; is that when the subject  
8 came up?

9 A. It came up, but not in the way you're suggesting. It came  
10 up, they already knew that Jonathan Black didn't exist. They'd  
11 already been fielding e-mails and working on the basis that  
12 there was no Jonathan Black. It was all Renwick Haddow. They  
13 knew I was the owner. They met me, they never asked once to  
14 meet Jonathan Black. There is no e-mails to suggest they've  
15 asked to meet someone called Jonathan Black, which would go to  
16 suggest if anyone worth their credit in this industry would  
17 want to promote something, the first person they'd say is can  
18 we meet Jonathan Black.

19 So that discussion at Tao was not about whether  
20 Jonathan Black existed. It was all about whether -- or there  
21 was a number of other things, but they were very excited by the  
22 project. But the two particular points I recall were the  
23 disputes because of the poaching that was going on, poaching  
24 some of the agents. And also, making sure that we were very  
25 clear and precise with e-mails that were going out from various

J653MO05

Haddow - Cross

1 e-mail addresses.

2 Q. So, your testimony, sir, is that James Robinson and Neil  
3 Storey and David Kennedy, before they ever met you, knew that  
4 Jonathan Black did not exist?

5 A. Yes.

6 Q. And your testimony is that people who had never met you  
7 before, including a former diplomat from the United Kingdom,  
8 were joining in a massive fraud. Is that your testimony?

9 A. I wouldn't -- my testimony is that they knew that Jonathan  
10 Black did not exist.

11 Q. Well, let's analyze that for a moment, sir. When did you  
12 tell them Jonathan Black did not exist?

13 A. Well, we've discussed when I told Jim Moore. Specifically,  
14 I told Jim Moore when he'd received the PPM, the private  
15 placement memorandum and the offering documents. He asked me  
16 who it was. He knew -- I understood he knew the answer to it  
17 before he asked me the question, but I told him the answer.

18 After that, it was never raised really again as a  
19 subject. It was assumed. As far as James Robinson and David  
20 Kennedy was concerned, I never had a outright conversation with  
21 them directly and said there was no -- there is no Jonathan  
22 Black. It's me. But, I understood that Jim had had that  
23 conversation, and when we had our dinner at Tao, or little  
24 drinks at Tao, when I raised the subject of our friend, it was  
25 no surprise to them that I was talking about e-mail etiquette,

J653MO05

Haddow - Cross

1 and giving the pretense that Jonathan Black existed.

2 If there was, the other person at that lunch or that  
3 dinner would have been Jonathan Black. Considering I --  
4 Jonathan Black wasn't there, it was me, then that would suggest  
5 they knew a long -- you know, from a very early stage.

6 Q. Sir, you said that would suggest. But on direct  
7 examination, you stated that at the Tao dinner, you told them.  
8 Now you're telling us that they knew from the beginning. Is  
9 that correct?

10 A. You've misinterpreted my words. At the Tao dinner, I made  
11 it very clear that we were there to discuss a number of  
12 subjects, and the two that I remember are -- the first one was  
13 about Jonathan Black's e-mail, and making sure that on all the  
14 e-mails we sent to each other, and to other people, Jonathan  
15 Black was to be made to look like a real person. And that we  
16 weren't -- we were to start using the Jonathan Black e-mail  
17 address, and that we weren't to -- we had to be very careful  
18 sending e-mails to the Renwick Haddow e-mail address.

19 Q. I thought that you told us --

20 THE COURT: We have a transcript, so you can look at  
21 the transcript.

22 MR. GARVIN: Yes.

23 Q. So, sir, Neil Storey had never met you before, correct?

24 A. Correct.

25 Q. And you did not tell Neil Storey that Jonathan Black did

J653MO05

Haddow - Cross

1 not exist before you met him, correct?

2 A. Correct.

3 Q. You did not tell James Robinson that Jonathan Black did not  
4 exist before you met him, correct?

5 A. Not specifically.

6 Q. You did not tell him that Jonathan Black did not exist; is  
7 that yes or no?

8 A. Well, no, I didn't tell him that.

9 Q. You did not tell David Kennedy that Jonathan Black did not  
10 exist.

11 A. Correct.

12 Q. And you're saying that three people that you've never met  
13 before, one of them a former diplomat, fly from Europe to New  
14 York to inspect Bar Works, and for the first time, you tell  
15 them that Jonathan Black does not exist. Is that correct?

16 A. Incorrect.

17 Q. When did you tell them before?

18 A. At the meeting at Tao, as I said, the subject matter that's  
19 relevant to this is the discussion on e-mail etiquette between  
20 myself and them and Jonathan Black and them. Before they even  
21 went to Tao, they knew of Jonathan Black's exist -- I was  
22 Jonathan Black.

23 (Continued on next page)

H657MOO6

Haddow - Cross

1 BY MR. GARVIN:

2 Q. Well, did you tell them before they went to Tao?

3 A. I didn't need to tell them. That was Jim's job; Jim told  
4 them.

5 Q. So you have no idea whether they were told or not.

6 A. Yes, I knew they knew, because I could see from the e-mails  
7 that we were getting that it was clear -- and the WhatsApp  
8 messages -- that it was clear -- it was blatantly obvious they  
9 knew.

10 Q. I'm putting back on the Elmo Government Exhibit 69, which  
11 we just went over as one of the many letters -- I don't know  
12 about many -- but one of the letters that asked for a folio.  
13 Do you see the date on that letter?

14 A. Yes.

15 Q. November 16 is a few days before they met you; isn't that  
16 true?

17 A. If that date matches up with the visit, then yes.

18 Q. So before they met you they wrote a letter requesting Bar  
19 Works to put on its stationery for Jonathan Black to approve?  
20 Isn't that true?

21 MR. VAINBERG: Objection, your Honor, as to "they".

22 THE COURT: Sustained.

23 Q. David Honeyman from United Property Group made a request  
24 for a letter from Jonathan Black, correct?

25 A. Correct.



H657MO06

Haddow - Cross

1 Q. And his conduct in doing this would be consistent with a  
2 person not knowing that Jonathan Black did not exist; isn't  
3 that true?

4 A. I think you're getting David Honeyman mixed up with David  
5 Kennedy. David Honeyman isn't one of the cofounders of UPG, to  
6 my knowledge. The two people that knew this were David Kennedy  
7 and James Robinson. David Honeyman was outside that loop of  
8 expertise, so it's reasonable to expect him to send an e-mail  
9 like that. But then again if that was coming from David  
10 Kennedy, again I would expect an e-mail like that because he's  
11 following, you know, the protocol of making sure that Jonathan  
12 looks real.

13 Q. Thank you. He is following the protocol that you are going  
14 to tell him in the future, when he goes to the Tao restaurant  
15 three days later; isn't that correct?

16 MR. VAINBERG: Objection.

17 THE COURT: Overruled.

18 THE WITNESS: Sorry. Could you repeat that?

19 Q. Yes. You said to the ladies and gentlemen of the jury he  
20 is following the protocol that you established with them. But  
21 the truth is there was no protocol because the Tao restaurant  
22 meeting wouldn't have occurred yet; it was going to occur three  
23 days later.

24 Everything that you just said was fabrication; isn't  
25 that true?

H657MO06

Haddow - Cross

1 A. Not at all, no.

2 MR. VAINBERG: Objection.

3 THE COURT: Overruled.

4 A. This was protocol for sure. This was protocol that was  
5 firmed up at that Tao meeting. There was already a protocol in  
6 place. There didn't need to be a firm-up to say let's look  
7 Jonathan Black look real. This was if you're going to send  
8 e-mails to each other, you need to make it look real. So, the  
9 Tao thing was just ironing out certain issues that had arisen,  
10 certain slip-ups. You know, there was still a protocol in  
11 place beforehand; there was never not a protocol in place  
12 before that meeting.

13 Q. You never talked to these people about Jonathan Black not  
14 existing so there could not be a protocol.

15 A. Of course I was. I was talking to Jim Moore on an  
16 hour-by-hour basis.

17 Q. And, sir, with regard to your statement that this is David  
18 Honeyman, you will see that cc'd on this is JR & DK, standing  
19 for Jason Robinson and David Kennedy? Isn't that correct?

20 A. That's correct. But David Honey was sending the e-mail, so  
21 I would expect this e-mail from David Honeyman because, as I  
22 said, he was not in the know, he was not at the meetings, and  
23 he was not one of the owners of UPG.

24 Q. And just so we can make sure that our dates are right, we  
25 see that this says November 16, 2015, correct?

H657MO06

Haddow - Cross

1 A. Right.

2 Q. That is Government Exhibit 69.

3 A. Correct.

4 Q. And we see government's 51 is dated November 6 and makes  
5 the arrangements for the meetings on Thursday, November 19,  
6 correct?

7 A. Correct.

8 Q. And November 19 obviously is three days after November 16,  
9 correct?

10 A. Correct.

11 Q. And, therefore, this alleged protocol as you've described  
12 it at Tao restaurant could not have happened as of November 16,  
13 because they had not arrived; isn't that true?

14 A. That's incorrect.

15 Q. And it could not have happened at Tao restaurant because  
16 Mr. Robinson had not arrived at Tao restaurant yet; isn't that  
17 correct?

18 A. Mr. Robinson had not arrived? I don't understand that  
19 question.

20 Q. Well, he had not arrived in New York yet.

21 A. But there are two sides to this. There is the preprotocol  
22 meeting -- sorry. There is the meeting at Tao restaurant.  
23 Then there is the meeting -- then there is the general  
24 discussions that went on through Jim and the UPG guys, and the  
25 Tao restaurant thing was formalizing that.

H657MO06

Haddow - Cross

1 Q. Sir, I'm going to show you now what is Defendant's Exhibit  
2 43. And there was a question and it said, "Just to clarify,  
3 like to set up that call for Julian. He is quite flexible, so  
4 if you let me know what time/day suits JB, bearing in mind  
5 Julian is in Sweden at present, it would be appreciated."

6 Do you recall discussing this e-mail during your  
7 direct examination?

8 A. Yes, I do.

9 Q. And there is an answer that was written -- or a question  
10 that says, "Just to clarify when you said JB do you mean  
11 Jonathan Black?" Now, this is James Robinson writing this;  
12 isn't that true?

13 A. That's correct.

14 Q. And you wrote back to him, "Yes Jonathan. How about  
15 Tuesday?" Isn't that correct?

16 A. That's correct.

17 Q. Now, sir, who all was receiving this e-mail? Would it be  
18 fair to say that the only two people that we see here are  
19 yourself and Jonathan Robinson?

20 THE COURT: James Robinson?

21 Q. James Robinson.

22 A. Correct.

23 Q. Who wrote this portion of the e-mail?

24 A. That last answer is mine.

25 Q. "Whoever you think" --

H657MO06

Haddow - Cross

1 A. No, the one below that is mine, sir. "Yes JB."

2 Q. Well, let's read what James Robinson said. "I would  
3 appreciate a phone call, or conference webinar with Bar Works  
4 to speak directly with them?" And then James Robinson wrote,  
5 "Whoever you think has the best quality on the phone your end  
6 ...". Do you see that?

7 A. Yes.

8 Q. And your answer was "Yes JB," correct?

9 A. Correct.

10 Q. And that's why he says to you, "Just to clarify when you  
11 said JB do you mean Jonathan Black?" Correct?

12 A. Correct.

13 Q. There was no request for Jonathan Black specifically. You  
14 volunteered Jonathan Black; isn't that true?

15 A. Correct.

16 Q. And that's what you did to make it appear that Jonathan  
17 Black existed; isn't that true?

18 A. Yes, correct.

19 Q. Now I want to talk to you for a second about Government  
20 Exhibit 18. And Government Exhibit 18 is a document that you  
21 went over during direct examination. Now, this is something  
22 that Jim Moore wrote; is that correct?

23 A. That's correct.

24 Q. And they're talking about a mini prospectus that they  
25 received from Bar Works; isn't that true?

H657MO06

Haddow - Cross

1 A. Correct.

2 Q. And at that time Jim Moore states with regard to the mini  
3 prospectus, "It's not a product that we can sell - it's a form  
4 of prospectus and very heavily regulated both in UK and USA,  
5 especially USA - this will be covered by a reg D filing or  
6 similar which is effectively small company exemption for  
7 fundraising up to 5 million from memory. This is the  
8 documentation they are using as a company to sell shares."

9 That was in fact what you were using to sell shares;  
10 isn't that true?

11 A. We were using a PPM to sell shares, yes.

12 Q. "The point here is that the USA has some of the most  
13 punitive securities laws in the world. The penalties for  
14 breaching them are absolutely onerous. Think up to 150 years  
15 in jail (seriously). So the raise on the part of the company  
16 is a loan note. The product that we would offer would be more  
17 of a lease."

18 Now, a lease is not a security, correct?

19 A. It turned out it was a security, but in theory it wasn't  
20 supposed to be a security, yes.

21 Q. So what has happened here is an effort to try not to  
22 violate the law in the United States; isn't that correct?

23 A. Correct.

24 Q. "That's very common in the real estate world - head lease  
25 holder issues sublease. They won't show things like the head

H657MO06

Haddow - Cross

1     lease in full because: A, they don't need to; B, it's nobody  
2     else's business - if they are lying in their prospectus they  
3     are potentially guilty of securities fraud, wire fraud, mail  
4     fraud and a host of other offenses in USA that ensure a very  
5     lengthy stretch in a very unpleasant place."

6             When they say "they," "if they are lying" he is  
7     talking about Bar Works, right?

8     A. Yes.

9     Q. He is talking about the materials that Bar Works sent him,  
10    correct?

11    A. Correct.

12    Q. He is talking about you, because he knows that you are  
13    affiliated with Bar Works, correct?

14    A. He knows I'm the owner and operator of Bar Works, yes.

15    Q. And so he says, "Nobody would dream of doing something so  
16    foolish - if you were going to do it the USA would be the last  
17    place you would ever go to."

18             So, is it clear here from this document that Mr. Moore  
19    is telling the people at UPG that we have these documents from  
20    Bar Works and nobody in their right mind would mess around with  
21    violating the law in the United States. Isn't that his  
22    message?

23    A. That's what he is trying to say to them, yes.

24    Q. We do not have a document from Mr. Moore to James Robinson,  
25    David Kennedy or Neil Storey stating that Jonathan Black did

H657MO06

Haddow - Cross

1 not exist, correct?

2 MR. VAINBERG: Objection. Lack of foundation as to  
3 what documents exist between other people.

4 THE COURT: Are you suggesting that -- you're asking  
5 if there is any exhibit like that?

6 MR. GARVIN: Right.

7 THE COURT: If he knows. If you know there is an  
8 exhibit that says what counsel has suggested.

9 A. It would be totally ridiculous for me to produce a document  
10 or an e-mail on an e-mail system to say that Jonathan Black is  
11 me.

12 If I fell out with Jim Moore, or anyone else who was  
13 in the know, then the first thing they're going to do is  
14 forward that e-mail to someone else like a newspaper -- which  
15 is what happened later anyway -- or to law enforcement, and I  
16 would be out of business in five minutes.

17 So, I wouldn't be surprised from what you've just said  
18 there is no -- from memory there is no e-mail, but there are  
19 plenty of What'sApps and verbal communication which convey  
20 that.

21 Q. Now, there was another meeting in which Sean Phillips  
22 attended; isn't that true?

23 A. Correct.

24 Q. And is it your position that Sean Phillips also knew that  
25 Jonathan Black did not exist?



H657MO06

Haddow - Cross

1 A. I don't really have a position on Sean Phillips.

2 Q. Well, did you tell the ladies and gentlemen from the United  
3 States when they interviewed you that everyone at the  
4 meeting -- that Sean Phillips attended -- knew?

5 A. We didn't discuss whether Jonathan Black existed at that  
6 meeting. We didn't discuss whether Jonathan Black existed at  
7 that meeting. The meeting wasn't to discuss anything about  
8 Jonathan Black. The meeting was to discuss getting members  
9 into the 39th Street location.

10 Q. All right. Can you please tell us who was at the meeting  
11 with Sean Phillips.

12 THE COURT: Could you be a little more specific.

13 MR. GARVIN: Yes.

14 Q. When was the first time that you met Sean Phillips?

15 A. In and around January 2016.

16 Q. And is it also true that at that meeting was Mr. Moore?

17 A. Yes.

18 Q. Mr. Storey?

19 A. Also true.

20 Q. And your wife?

21 A. Yes, and a few other people. Sean Phillips obviously was  
22 there, and so was Sam Aura.

23 Q. And I have asked you I believe -- and I will ask it again  
24 to make sure -- isn't it a fact that you said that everyone at  
25 that meeting knew that Mr. Black did not exist?

H657MO06

Haddow - Cross

1 A. I may well have said that, yes.

2 Q. So then Sean Phillips knew that Mr. Black didn't exist;  
3 isn't that correct?

4 A. Also correct.

5 Q. Well --

6 A. I didn't tell him directly, and I didn't tell him directly  
7 at that meeting.

8 Q. So, you told the United States government when they  
9 interviewed you that everybody at that meeting knew that there  
10 was no Jonathan Black, correct?

11 A. There is a difference between me telling them and them  
12 knowing. At that meeting, yes, they did know. I didn't tell  
13 them at that meeting.

14 Q. Well, I'm just trying to establish --

15 THE COURT: I think he is talking about your meeting  
16 with the government lawyers, what you said to the government  
17 lawyers.

18 Is that right?

19 MR. GARVIN: Yes, sir.

20 A. And at that meeting they did know -- the people at that  
21 meeting did know that Jonathan Black was me.

22 Q. Now, you have stated that the people at the meeting knew.  
23 And one of the people at the meeting was Sean Phillips,  
24 correct?

25 A. Correct.

H657MO06

Haddow - Cross

1 Q. And did you tell Sean Phillips that there was no Jonathan  
2 Black?

3 A. No.

4 Q. So, how did you know that Sean Phillips knew that there was  
5 no Jonathan Black?

6 A. Because my business partner who was the one who introduced  
7 me to Sean Phillips -- I had never met Sean Phillips before --  
8 he introduced me to Sean Phillips, and he was the one who said  
9 Sean Phillips would be a very good person to join the board,  
10 and he was the one who was sending me marketing material from  
11 Sean Phillips in relation to this project. He was the one who  
12 communicated to Sean Phillips before I even spoke to him.

13 So, I'm of the understanding that Jim Moore told Sean  
14 Phillips all the ins and outs of Bar Works, including  
15 involvement of Jonathan Black; otherwise Jonathan Black would  
16 have been at that meeting.

17 Q. You were not present when Jim Moore told James Robinson  
18 that there was no Jonathan Black, were you?

19 A. I was not present, no.

20 Q. You were not present when Jim Moore allegedly told David  
21 Kennedy there was no Jonathan Black, correct?

22 A. That's true, yes.

23 Q. You were not present when Jim Moore allegedly told Neil  
24 Storey there was no Jonathan Black, correct?

25 A. Correct.

H657MO06

Haddow - Cross

1 Q. And now you were not present when Jim Moore allegedly told  
2 Sean Phillips there was no Jonathan Black, correct?

3 A. Correct. Jim Moore lived in Miami, I lived in New York.

4 Q. With regards to Bar Works, Jim Moore went to New York to  
5 see Bar Works for the first time in October 2015, correct?

6 A. Correct.

7 Q. He returned approximately a month later on or about  
8 November 18, 2015 because that's when UPG came and Neil Storey  
9 came, correct?

10 A. Correct.

11 Q. So, those were two times he was there. There was a third  
12 time that he was there when Sean Phillips came, correct?

13 A. Correct.

14 Q. And that was either in February, possibly March of that  
15 year, 2016, correct?

16 A. Incorrect. That was in January.

17 Q. And were there any other times that Jim Moore saw you in  
18 New York operating Bar Works other than those three times?

19 A. Yes, he also attended with the guys from UPG, James  
20 Robinson and David Kennedy, to the opening party of 46th  
21 Street. We met up beforehand. There was a bar opposite the  
22 46th Street location, and we met up there. There was a party  
23 going on across the street. We unfortunately had a few too  
24 many drinks in the bar, and then we went to the opening party  
25 where my wife met us. She wasn't happy because we were late.

H657MO06

Haddow - Cross

1 And they looked around and had a great time at the opening of  
2 46th Street.

3 So, they all, you know, took an interest and met up  
4 with, you know, the various people there, and all of them knew  
5 me as -- well, a mixture actually -- a few people knew me as  
6 Jonathan, a few people knew me as Renwick.

7 Q. So, sir, that was a fourth time that Mr. Moore was at Bar  
8 Works?

9 A. The fourth time that I'm aware of, yes.

10 Q. What I'm trying to establish, sir, is Mr. Moore was not  
11 there every day, correct?

12 A. He was not there every day, no.

13 Q. In fact he was there very few days, correct?

14 A. Correct.

15 Q. And Mr. Moore basically would arrive, walk through a  
16 location and then make arrangements to have dinner with you or  
17 with someone else, correct?

18 A. Correct.

19 Q. And so there were a few times during 2015 and early 2016  
20 that Mr. Moore was there, right?

21 A. Yes.

22 Q. And I believe you stated earlier even when he was there it  
23 didn't take very long to walk through one of these places;  
24 isn't that right?

25 A. That's right.

H657MO06

Haddow - Cross

1 Q. Now, there was a time when Jim Moore had to have some  
2 people come from I believe it's called Dolphin. Do you know  
3 who I'm talking about?

4 A. You may need to remind me. I'm sorry.

5 Q. In or about March, did Jim try to arrange for a person  
6 named David Lilley to come to Bar Works?

7 A. Yes, correct.

8 Q. And in fact didn't Jim pay for the cost of that out of his  
9 pocket, him and Neil Storey? Isn't that true?

10 A. I think so, yes.

11 Q. So, what happened was these guys were coming to see Bar  
12 Works, right?

13 A. Correct.

14 Q. And immediately before they came, after the arrangements  
15 had been made, the airplane tickets had been purchased, they  
16 wrote an e-mail stating that they wanted to meet with and in  
17 fact take some pictures with Jonathan Black. Isn't that  
18 correct?

19 A. Correct.

20 Q. And your testimony was that Jim knew that Jonathan Black  
21 did not exist, right?

22 A. Correct.

23 Q. And so this was a problem, correct?

24 A. Yes.

25 Q. And did you at any time tell Jim Moore that Jonathan Black

H657MO06

Haddow - Cross

1 was in England in his office because he had a full schedule?

2 Did you ever say that?

3 A. Possibly. I can't recall.

4 Q. Did you say that Jonathan Black could not appear because he  
5 was in England with a full schedule?

6 A. What are you relating? Are you talking about the David  
7 Lilley incident?

8 Q. Yes.

9 A. Possibly.

10 Q. Now, isn't it a fact that Jim Moore asked if you would make  
11 yourself present at this meeting?

12 A. I don't think he did say that. I think he said he  
13 understood why I potentially couldn't be there. He would never  
14 say I should make myself available at that meeting. There were  
15 pictures of me -- there were pictures of Jonathan Black on the  
16 Internet, and clearly if I turned up and said my name was  
17 Jonathan Black, it would be a mismatch.

18 Q. I'm not suggesting that he wanted you to appear as Jonathan  
19 Black. I'm asking if he asked you to appear or be at the  
20 meeting as Renwick Haddow.

21 A. No.

22 Q. I'm going to come back to that in a second, but before we  
23 do that, I'm going to show you Defendant's Exhibit 5047. This  
24 is an e-mail written by you; isn't that correct?

25 A. The top e-mail, yes.

H657MO06

Haddow - Cross

1 Q. And you're stating here "Hi all. Just had a catch up with  
2 JB." Isn't that correct?

3 A. Correct.

4 Q. And JB is Jonathan Black, right?

5 A. Correct.

6 Q. And so what you're doing here is you're representing to the  
7 people who received this e-mail that you spoke with Jonathan  
8 Black; isn't that true?

9 A. Correct.

10 Q. Now, that e-mail was written in December -- actually almost  
11 on Christmastime -- but December 21, 2015. Isn't that true?

12 A. Yes.

13 Q. And you purported as to what Jonathan Black's position was  
14 when you spoke with him; isn't that correct?

15 A. When I spoke to who?

16 Q. This e-mail purports that you spoke with Jonathan Black.

17 A. Oh, yes, sorry.

18 Q. It says, "This investor is big, but he" -- meaning  
19 Jonathan -- well, strike that -- "but he is not really  
20 interested in buying work spaces. He is interested in making  
21 an equity investment, a sizeable one. JB suggested \$500,000 to  
22 him which he said was of interest to him. JB will send over  
23 the PPM and start a dialogue with him. I will let you know how  
24 they get on."

25 So, you made it seem like you spoke with Jonathan



H657MO06

Haddow - Cross

1 Black, correct?

2 A. Correct.

3 Q. And the people that are receiving this e-mail include Jim  
4 Moore, right?

5 A. Correct.

6 Q. Include James Robinson, right?

7 A. Correct.

8 Q. Include David Kennedy.

9 A. Correct.

10 Q. And finally include Neil Storey, correct?

11 A. Correct. But you failed to mention it also included David  
12 Honeyman.

13 Q. Oh, it also included David Honeyman, correct?

14 A. Who was outside the loop.

15 Q. Now, isn't it a fact, sir, that David Honeyman is a  
16 director of UPG? Isn't that correct?

17 A. I don't know if he is.

18 Q. Now, sir, you said just now he is outside the loop. You  
19 just said that, right?

20 A. Right.

21 Q. You don't know if Jim Moore spoke to James Honeyman, do  
22 you?

23 THE COURT: David.

24 Q. David Honeyman. Do you?

25 A. I can't be a hundred percent certain, no.

H657MO06

Haddow - Cross

1 Q. But you have suspected that Jim Moore spoke with his  
2 partners James Robinson and David Kennedy, correct?

3 A. Incorrect. I didn't suspect. I knew he had spoken to  
4 them. What I didn't know is whether he had spoken to David  
5 Honeyman. He never told me that he included David Honeyman in  
6 the loop, so as far as I was concerned David Honeyman knew  
7 nothing about Jonathan Black, nor did anyone else at UPG as far  
8 as he told me.

9 Q. Who told you?

10 A. Jim told me.

11 Q. You're now telling me that Jim Moore came to you and told  
12 you that he spoke with James Robinson and told him what?

13 A. I didn't say that. I said Jim Moore informed me that the  
14 only two people at UPG who knew of this were David Kennedy and  
15 James Robinson; everyone else was outside this loop and,  
16 therefore, didn't know. If he told him, then that was news to  
17 me.

18 Q. So, sir, the way that you understood it was that James  
19 Robinson and David Kennedy were the only people who knew that  
20 Jonathan Black didn't exist.

21 A. At UPG, yes.

22 Q. Now, you had a discussion a little bit earlier on direct  
23 examination about an e-mail that was sent by Sean Phillips. Do  
24 you recall that?

25 A. Yes, I recall that.

H657MO06

Haddow - Cross

1 Q. And you had said that Sean Phillips had met with your wife  
2 and was going to help as to memberships, right?

3 A. Yes.

4 Q. Now, I'm showing you the exhibit that's -- let me pick this  
5 up for a second.

6 MR. GARVIN: Your Honor, at this time there is no  
7 objection, I'm going to offer into evidence Defendant's 5019, a  
8 letter dated February 19, 2016.

9 THE COURT: I will allow it.

10 (Defendant's Exhibit 5019 received in evidence)

11 Q. OK. So, this is a letter that's being written by Sean  
12 Phillips to Neil Storey, and it's talking about that he will  
13 reach out to Chloe and he says, "I think it's her name." Do  
14 you remember discussing this during direct examination?

15 A. Yes, I do, yes.

16 Q. And so he is confirming that he is going to reach out, and  
17 he makes reference to Chloe. And you had told us earlier that  
18 Chloe was the name that your wife was using, Chloe Miller. Is  
19 that right?

20 A. That's correct.

21 Q. And you had placed her name in the offering materials of  
22 Bar Works; isn't that correct?

23 A. Correct.

24 Q. You did not use your name Zoya Haddow because you did not  
25 want that to come out; is that correct?

H657MO06

Haddow - Cross

1 A. That's correct.

2 Q. Now, it was your position that Jim Moore knew that,  
3 correct?

4 A. Correct.

5 Q. And Neil Storey knew that also, correct?

6 A. Correct.

7 Q. So, now we see that on February 19, the following day, Neil  
8 Storey writes, "Does Chloe equal Zoya? Or is there a Chloe?  
9 Do you have a number?" Because that's what's being requested  
10 by Sean Phillips, correct?

11 A. Correct.

12 Q. And Jim Moore writes back to Neil Storey, "No idea about  
13 Chloe sorry."

14 Sir, neither Neil Storey nor Jim Moore knew that your  
15 wife was using an alias of Chloe Miller. Isn't that a fact?

16 A. They knew she was using an alias, but I'm sure the name --  
17 the actual name she was using changed with the wind. One  
18 minute she was using Zoya, next minute she was using Zoe, next  
19 minute she's using Chloe. So, I imagine it confused. It  
20 confused me sometimes.

21 Q. From this letter they did not know that she was using an  
22 alias; isn't that true?

23 A. I think that's --

24 MR. VAINBERG: Objection.

25 THE COURT: Overruled. If you know.

H657MO06

Haddow - Cross

1 A. I think that letter, the e-mail exchange, demonstrates that  
2 there is confusion about her name, yes.

3 Q. Well, one thing for sure, she wouldn't use the name Haddow,  
4 correct?

5 A. Right.

6 Q. Correct?

7 A. Correct.

8 Q. And because if you use the name Haddow, then that defeats  
9 everything that you've set this up for, right?

10 A. Correct.

11 Q. And so the last thing that you would want to do is  
12 circulate anything that said Zoya or Chloe Haddow on it, right?

13 MR. VAINBERG: Objection. Circulate as to where?

14 Q. Circulate into the public. I mean the whole purpose of  
15 this Jonathan Black using a nonexistent name was to keep the  
16 name Haddow out of the public; isn't that right?

17 A. Correct.

18 Q. It's to keep it away from potential investors; isn't that  
19 right?

20 A. And other key parties, yes.

21 Q. So, when you went out of your way and did a private  
22 placement memorandum -- which we can certainly pull -- you've  
23 gone over it before -- there is a spot on it that says the  
24 chief executive officer is Jonathan Black, right?

25 A. Correct.

H657MO06

Haddow - Cross

1 Q. And there is another spot on it that describes the position  
2 that Chloe Miller holds; isn't that right?

3 A. Correct.

4 Q. And the whole point of it was to keep the name Haddow out  
5 of the public eye, right?

6 A. Correct.

7 Q. I am showing you Defendant's Exhibit 5050. This is  
8 regarding Zola Haddow. That's your last name, right?

9 A. Yes.

10 Q. And this is to confirm that she is employed at Bar Works as  
11 a marketing director. She is the director, correct?

12 A. According to this letter, yes.

13 Q. Well, it's on Bar Works stationery. Isn't that true?

14 A. It's true, but it was sent to someone outside of Bar Works  
15 so that she could get a visa or something along those -- I  
16 think it was for a visa that she was applying for.

17 Q. Well, sir, isn't it a fact that it was sent and UPG  
18 received it? Isn't that a fact?

19 A. I'm not aware of that.

20 Q. This flies in the face of everything that you've told us  
21 for the last two days, doesn't it?

22 A. No, not at all. That's totally irrelevant to the business  
23 of Bar Works. That was done for something to help Zoya out,  
24 where it wouldn't have any bearing as far as I was concerned  
25 with Bar Works.

H657MO06

Haddow - Cross

1 Q. You have a document that's going out into the public  
2 listing her as the marketing director; isn't that true?

3 A. No, that didn't go out into the public.

4 Q. All right, so let's go back to March. This is Government  
5 Exhibit 135. And Jim Moore said, "We will need a story as to  
6 why Jonathan isn't there." Do you see that?

7 A. Yes, I see that.

8 Q. And now to put this in perspective, these are people who  
9 are flying from Europe to meet Jonathan Black, right?

10 A. Not specifically, no. They were there to see other people,  
11 and Jonathan was going to be there, yes.

12 Q. Well, they had requested an opportunity --

13 A. -- to meet Jonathan.

14 Q. Not only to meet. They wanted to bring professional video  
15 equipment to record some clips with Jonathan, so one of the  
16 primary purposes of this was to have Jonathan Black available;  
17 isn't that correct?

18 A. It was an important factor, yes.

19 Q. All right. And these are the people that Neil Storey and  
20 Jim Moore were paying for their tickets to fly from Europe to  
21 New York, and their hotel; isn't that correct?

22 A. Yes.

23 Q. And so now isn't it a fact that you told Jim Moore that  
24 Jonathan Black was very busy in London and would not be making  
25 the meeting? Isn't that true?

H657MO06

Haddow - Cross

1 A. I haven't seen that e-mail. Have you got that e-mail?

2 Q. Well, do you recall saying that?

3 A. No, I don't recall saying that.

4 Q. And do you recall Mr. Moore saying to you: How do you tell  
5 people who just flew in from Europe to see Jonathan Black that  
6 they could have seen him while they were in Europe? Do you  
7 recall that?

8 A. No, I don't recall that, no.

9 Q. So now Mr. Moore says, "We'll need a story as to why  
10 Jonathan isn't there. Would be great to find a way to get you  
11 involved but equally understand your reticence." Do you see  
12 that, sir?

13 A. Yes, I see that.

14 Q. Do you remember a few moments ago I asked you if Jim Moore  
15 had suggested that you be involved -- meaning involved as Mr.  
16 Haddow? Do you recall that?

17 A. I recall that, but I didn't agree with that. I actually  
18 think that was invented. I don't remember that being part of  
19 the conversation whatsoever.

20 Q. And not only have we moved on from the oral conversation,  
21 he's placed it in writing. "Would be great to find a way to  
22 get you involved but equally understand your reticence."

23 Now, when he says "equally understand your reticence,"  
24 did you understand that to mean that you had reservations of  
25 being someone who is presenting the company, being too involved



H657MO06

Haddow - Cross

1 in the company?

2 A. Can you repeat that?

3 Q. Yes. When he said equally understand your reticence, did  
4 you understand him to mean that he understood if you had  
5 reservations about being involved?

6 A. He understood that I had major reservations of turning up  
7 to a meeting as Jonathan Black.

8 Q. Well, he doesn't say that he wants you to come as Jonathan  
9 Black. He is saying that he wants you to come as you. It  
10 says, "Would be great to find a way to get you involved." It  
11 doesn't say would be great to find a way to have Jonathan Black  
12 involved.

13 A. I think you're playing with the words there. I mean the  
14 basic understanding is I couldn't turn up whether I was  
15 Jonathan Black or not, because if I turned up as Jonathan  
16 Black, my face doesn't match the picture. If I turn up as  
17 Renwick Haddow, my name is all over the product and it fails.

18 Q. So, the point is that Mr. Moore suggested for you to be  
19 there as Mr. Haddow, right?

20 A. That's how you interpret it. I interpret it slightly  
21 differently.

22 Q. And when he wrote almost all of these e-mails that we've  
23 seen, he always sends them to Renwick Haddow, right?

24 A. The ones we've seen. There are others as well that were  
25 sent to Jonathan Black.

H657MO06

Haddow - Cross

1 Q. 95 percent of the e-mails sent were sent to Renwick Haddow,  
2 correct?

3 A. Correct.

4 Q. And that was literally -- as I think you said earlier, that  
5 was a lot, because Mr. Moore has a tendency to be a prolific  
6 writer of e-mails, doesn't he?

7 A. Sure is, yes.

8 Q. So, if he is having a thought, he's writing it to you,  
9 correct?

10 A. Correct.

11 Q. So, you can tell what is going through his mind; just read  
12 his e-mails. Right?

13 A. Correct.

14 MR. VAINBERG: Objection.

15 THE COURT: I'll allow it.

16 Q. Now, did that meeting actually ever take place?

17 A. I'm not sure if it did take place, but there was  
18 arrangements in place, yes.

19 Q. Well, isn't it a fact that not only did it take place but  
20 Sean Phillips attended?

21 A. Yes.

22 Q. And this came to a head because this was the beginning of  
23 the end between you and Mr. Moore, wasn't it?

24 A. Things started to go wrong in about April time, so I'm not  
25 sure what date this refers to. Can you just remind me?

H657MO06

Haddow - Cross

1 Q. Yes. I'm talking about on or about the week of March 11,  
2 2016.

3 A. No, we were still -- yeah, I was a bit slow paying his  
4 invoices, but UPG was still selling profusely and Jim was still  
5 heavily involved.

6 Q. And you were -- you were aware that Jim Moore formed Our  
7 Space in March of 2016, right?

8 A. I became aware of that a lot later, yes.

9 Q. And that was approximately March 16, 2016, correct?

10 THE COURT: That what?

11 Q. That Jim Moore formed Our Space.

12 A. I don't recall the date, but I know it was formed a lot  
13 earlier.

14 Q. I'm going to show you Defendant's Exhibit 5062. You see  
15 the name Karina there?

16 A. Yes.

17 Q. And do you know that's James Moore's wife's name, correct?

18 A. I do.

19 Q. I am showing you page 2 of the exhibit, which is the  
20 registration of a domain. You see work domain registration?

21 A. Yes.

22 Q. And do you see above it it says OurSpace.work?

23 A. Yes.

24 MR. GARVIN: May I have one moment, your Honor? It's  
25 so fuzzy, I need glasses.

H657MO06

Haddow - Cross

1 I'm going to have to come back to this one because  
2 it's too fuzzy.

3 THE COURT: Can I see counsel for just a minute?

4 (Continued on next page)

5  
6  
7  
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H657MO06

Haddow - Cross

1 (At the side bar)

2 THE COURT: I just want to get a rough sense of how  
3 much more time you need.

4 MR. GARVIN: Probably --

5 THE COURT: I'm trying to determine when we stop  
6 today.

7 MR. GARVIN: Your Honor, if we were to stop in about  
8 ten or 15 minutes, I could consolidate instead of fumbling  
9 around, and finish first thing tomorrow morning in probably 15  
10 or 20 minutes. I'm concerned that I've got to the point where  
11 exhibits that I lay down on the table have shifted.

12 THE COURT: So, you want to do more now or not?

13 MR. GARVIN: I'd like to terminate now because I'm  
14 almost done.

15 THE COURT: I see.

16 MR. GARVIN: And I would like to get organized so I  
17 don't waste the Court's time.

18 THE COURT: I got you.

19 Is that OK with you? OK.

20 (Continued on next page)  
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H657MO06

Haddow - Cross

1 (In open court)

2 THE COURT: OK, folks, we're going to stop for today,  
3 and I will send you home with my same instructions, which are  
4 these: So, please don't talk with each other about the case,  
5 or about anyone who has anything to do with it, until the end  
6 of the case when you go to the jury room to deliberate.

7 Second, please don't talk with anyone else about the  
8 case, or about anyone who has anything to do with it, until the  
9 trial has ended and you have been discharged as jurors.

10 Third, please don't have anyone talk to you about the  
11 case, or about anyone who has anything to do with it.

12 Fourth, please don't read any news or Internet stories  
13 or articles or blogs or listen to any radio or TV or Internet  
14 reports about the case -- assuming there were any -- or about  
15 anyone who has anything to do with it.

16 And, please, fifth, do not do any type of research or  
17 investigation about the case on your own.

18 So, we're still on schedule and making good progress.  
19 My guess is -- well, I won't guess. We will know better in the  
20 morning when Mr. Garvin finishes how much time is left, so it  
21 might move over into Friday. I'm not sure. But, anyway, we  
22 are pretty much on target. I will see you tomorrow morning at  
23 9:15. Thanks a lot.

24 Leave your notes right there. Christine will take  
25 care of them

H657MO06

Haddow - Cross

1 (Jury not present)

2 THE COURT: So, counsel could please be seated for a  
3 minute. I just want to get a sense of timing.

4 So, Mr. Garvin, you feel you'll end up tomorrow  
5 morning?

6 MR. GARVIN: Yes.

7 THE COURT: With this witness?

8 MR. GARVIN: Oh, yes, certainly.

9 THE COURT: About how much time more do you need?

10 MR. GARVIN: I was hopeful that it would be less than  
11 an hour, so I'm hoping -- I just don't want to under promise  
12 and say 15 minute and it turned out to be an hour.

13 THE COURT: No, I got it. OK.

14 Then we have how many more government witnesses?

15 MR. BELL: Judge, I think that there are -- after Mr.  
16 Haddow tomorrow, in some order we would have Mr. Pendelman who  
17 is short, Mr. Rivera who is short, and a special agent from the  
18 F.B.I. Those are all short witnesses as far as testimony goes.

19 Mr. Vainberg at a previous side-bar also mentioned  
20 that we have some audiovisual to play. That may very well be  
21 longer than the combined testimony, which is I think mostly a  
22 testament to how short the directs should be.

23 All of that is to say, Judge, that I think that we are  
24 still -- as your Honor told the jury -- on target. In that  
25 case this means that I think we're still in line to rest around

H657MO06

Haddow - Cross

1 lunch tomorrow and probably before lunch tomorrow. If that is  
2 the case, your Honor --

3 THE COURT: The government would rest.

4 MR. BELL: If the government does rest before lunch  
5 tomorrow, and if we all review the charge this evening, there  
6 were a number of possibilities that come up for the charge  
7 conference.

8 THE COURT: Well, we are going to hear if there is a  
9 defense case, if counsel wishes to share that information.

10 MR. GARVIN: Yes, your Honor. I anticipate at the  
11 present time two relatively short witnesses, which I've already  
12 discussed with counsel. I'm hopeful that both of those  
13 witnesses combined will be an hour to an hour and a half  
14 maximum. And the witnesses also have time constraints, so I'm  
15 hopeful to get them on tomorrow afternoon or Friday morning.

16 THE COURT: So, my feeling is we should press forward  
17 tomorrow morning 9:15. We will try and get all the witnesses  
18 done, and we will worry about the charge conference after that  
19 point has occurred.

20 MR. BELL: That sound rights, given what Mr. Garvin  
21 has told us.

22 A couple of related notes. One -- and this may go  
23 without saying, but I will note it anyway -- our understanding  
24 is that neither of those witnesses is Mr. Moore, and so when  
25 there is an appropriate point -- and perhaps better done



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Haddow - Cross

1 tomorrow than today -- it would make sense for the Court to  
2 briefly allocute Mr. Moore on whether he understands that he  
3 has the right to testify and whether he has discussed that with  
4 his attorney. That's five minutes.

5 The other thing that we would note is if -- as I  
6 suspect is possible -- Mr. Garvin is able to put his materials  
7 together and the remainder of the cross-examination of Mr.  
8 Haddow is on the shorter side, we would ask for a short break  
9 even then just to get Mr. Haddow back out, given that he is in  
10 custody.

11 THE COURT: We can arrange that.

12 So, we can take some time, Mr. Garvin and Mr. Moore.

13 Mr. Moore understands that he has the right, absolute  
14 right to testify in this trial if he wishes to do so, but he  
15 also has the absolute right not to testify if that's what he  
16 wants to do. And he doesn't have to tell me today what his  
17 decision is. I just want to make sure he understands.

18 THE DEFENDANT: I'm here, I understand. Thank you.

19 THE COURT: You bet. All right. So, OK, we will see  
20 where we are tomorrow.

21 MR. BELL: Thank you, your Honor.

22 THE COURT: Mr. Garvin, I think there is probably a  
23 charge in the draft of the charges with respect to the  
24 defendant's right to testify and what comes from that, so I  
25 think maybe if you go over that with him, he will fully

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Haddow - Cross

1 understand.

2 MR. GARVIN: Thank you.

3 (Adjourned to June 6, 2019 at 9:15 a.m.)  
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## GOVERNMENT EXHIBITS

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